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A.—(a) & (b) A statement^a giving the particulars is appended.

(c) The Chief Engineer for Electricity reports that the load for Salem and the South Indian Railway, Erode, is satisfactory but that in Erode town is disappointing.

(d) The unsatisfactory progress in Erode is ascribed by the licensees to a certain amount of local opposition to the popularization of electricity.

[Note.—An asterisk (*) at the commencement of a speech indicates revision by the Member.]

II.—ELECTION OF MEMBERS TO THE SENATE OF THE MADRAS UNIVERSITY.

* The Hon. the PRESIDENT:—“I have to announce that the under-mentioned candidates were declared duly elected to the Senate of the University of Madras by the non-Official Members of the Council:—

Mr. V. P. Narayanan Nambiyar.

Mrs. Alamelumangathayaramma.

Mr. M. S. Sreshta.

„ Abdul Hameed Khan.

„ R. Madanagopal Nayudu.

„ T. Sundararao Nayudu.

„ C. Basu Dev.

Rao Sahib P. Subrahmanyam Chetti.

Mr. M. A. Manikkavelu Nayakar.

III.—GENERAL DISCUSSION OF THE BUDGET FOR 1934-35.

* The Hon. the PRESIDENT:—“The general discussion on the Budget will now commence.”

* Rao Bahadur T. A. RAMALINGAM CHETTIYAR:—“Mr. President, Sir, ever since I entered this Council I have been telling the Government that the system of taxation followed here and also the incidence thereof were such that it is the poor that is mainly made to support the Government of this Province and that it was against all canons or principles of taxation. This year, however, in his speech introducing the Budget, the Hon. the Finance Member has, I am glad, expressed the sentiment that the Government have got duties not only to those who pay the taxes but also to those that do not pay any. Well, Sir, now that he has recognized that, he will have to consider the other aspect of the matter, namely, who is to contribute towards the expenses of the administration—expenses which the Hon. Member says that the Government have to meet. This is one of the points on which I have been addressing the Government for the last so many years in this Council.

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“ The second point on which also I have been laying stress in this Council was that relating to over-taxation. Taxation in this Province has never been limited to the needs of the Presidency. It has always been in excess of our requirements. These two points I have been always mentioning in this Council. As a result of this over-taxation, we are committing ourselves to a lot of wasteful expenditure and we were diverting a lot of revenue for capital expenditure. We have also been accumulating surpluses which, when the time comes for a settlement with the Imperial Government, we are deprived of. On this point too I have criticized the Government. But I mention them now together, to avoid misrepresentation of the sort which took place last year when the Hon. the Finance Member replied to my remarks on the assumption that I meant something else.

“ Last year I stated that wasteful expenditure was incurred in several directions. One was the opening and maintenance of costly institutions like the Forest College which no other Province in India has got. The other direction in which wasteful expenditure is incurred lies in having intermediate officers which again in some departments at least other Governments in India do not seem to have. Even in the Government of India the papers do not seem to be noted upon by a series of clerks, superintendents, assistant secretaries, under secretaries and deputy secretaries or secretaries as it is done in our Secretariat. If the Government look into these things, they can effect a lot of retrenchment. Also, Sir, consequent on the existence of these intermediate officers, and a long array of them, work is duplicated and increased enormously. This has been the case in our Province from the very beginning. In cases of this kind, retrenchment is possible to be effected, but these things have not been examined either by the Retrenchment Committee or by anybody else. If a small committee with a person of the experience of Sir Norman Marjoribanks is appointed with one or two non-official members to work on the lines on which the Thomas Committee of Bombay worked, it will be possible to effect improvement in the administration and retrench expenditure. This, I say, ought to be undertaken at once. A lot of money can thus be saved.

“ Sir, the Hon. the Finance Member is never weary of stating that, as we are on the eve of the Reforms, we ought to leave the Reformed Government enough funds to meet any difficult situation. I would appeal to him to consider the other aspect also. You should not leave it to the Reformed Government to examine these matters for which you are responsible. You should not throw on them the responsibility for examining the complicated machinery which you have evolved. Here is the time for you to examine the whole thing and place the machinery on a proper basis. You take time by the forelock and put the administration on a proper basis before the Reforms come. That is my appeal to the Hon. the Finance Member. If this is done it will be possible to reduce expenditure in the Province a good deal. I believe it will be possible to save a sum of two crores of rupees if we

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go into the question of retrenchment with a will and earnestness. I may say, Sir, that this is not an exaggerated estimate, because even between the years 1921 and 1933 the expenditure of the Province has increased by something like 5 crores. It will be possible for the Committee I have suggested to take into consideration the whole state of the expenditure which existed before 1920 and what it is at the present moment. If it does so, it will be possible to effect a saving of about 2 crores. I submit therefore that my estimate is not an exaggerated one. This is a thing which ought to be done and is worthy of being done even from the point of view of the present Government.

"Sir, as I said, the poor man it is that is maintaining the Madras Government: the rich man's contribution towards the expenses of the administration is very little indeed. I am not talking of the central revenues to which of course contributions are made on a different basis. If we analyse the sources of revenue of this Province, we find that they are mainly land revenue and excise. It is well known that the pattadars who pay up to Rs. 10 or 20 are very much more than those who pay larger kists. The latter are, comparatively, few in number and the land in their possession is also not very much. Lands are mostly in the hands of people who cultivate them. Absentee landlords to whom reference was made by the Hon. the Finance Member the other day are only a few. They live mostly in the cities doing money-lending or practising as lawyers. (The Hon. Sir Hopetoun Stokes: 'Hear, hear.') That is why they come prominently to the attention of gentlemen like the Hon. the Finance Member. Their number, however, is few. So, Sir, to say that relief is not wanted by the poor people and that those who live in the cities and who have other incomes also should not be benefited is to bring forward an argument which nobody can seriously accept.

"The Hon. the Finance Member raised two issues the other day, viz., with reference to the resolution of this Council recommending the grant of land revenue remission to the extent of 25 per cent and with reference to the cut in the salary of officers. Now, Sir, with reference to the remission asked for, I believe it is quite possible for the Government to accept the resolution. But leaving that aside, let us take the political issue involved. Here is a resolution passed by the Legislative Council with only one elected representative dissenting. The Hon. the Finance Member is talking about the Reforms and their coming soon and about the responsibility of the people's representatives. But what is the way in which a resolution passed by such a majority in this House has been treated by the Government? The Hon. the Revenue Member said that the Government would adhere to their original resolution and do nothing more. That is the answer he gave to the practically unanimous resolution of the elected Members of the Council.

"Well, Sir, that is the political aspect of this issue. On the financial aspect, the Hon. the Finance Member says that in a full year the commitment would come to about 90 lakhs in addition to the 60 lakhs provided, if the resolution were to be accepted. Sir, altogether the

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total land revenue of this Province comes to about Rs. 600 lakhs including water-cess, and the 25 per cent of that sum, which we ask by way of remission, will come to about Rs. 150 lakhs. If we take the expenditure during the last ten years, we find that much more than Rs. 100 lakhs have been utilized on the average every year out of the revenues either for capital works or to pay back debts connected with capital works. Of course, my guide in saying that is the Budget Memorandum supplied to us by the able Finance Secretary, who has very lucidly explained the position in the Memorandum. He analyses the position of the debt of the Province at page 83 of the Budget Memorandum; and therein he says that we started in 1920 with a debt of Rs. 985 lakhs, and our present debts amount to Rs. 1,638 lakhs, out of which we have advanced to municipal councils and other bodies something like Rs. 376 lakhs, thus leaving a net borrowing, after these 14 years, of Rs. 275 lakhs. This is the net result; and for this, we have to our credit the Mettur Project, which has cost something like Rs. 7 crores and the Hydro-Electric Scheme, which would cost us at the end of the present year Rs. 1¼ crores besides numerous other smaller works and improvements. That in short is our position with regard to debt. Of course, besides these two big schemes we have got a large number of schemes executed, for which money has been taken out of the revenues. If during the thirteen years we have been able to get so much out of the revenues, is it too much to say that during this year we ought to be in a position to find a sum of Rs. 150 lakhs for giving effect to the unanimous resolution of this Council? After all it is not the contention of the Hon. the Finance Member that he cannot meet it; for at present we have accumulated surpluses which will last for two years, even if we continue this remission for the next year too. That is the position in which we are at the present time; and yet the Hon. the Finance Member says that financially we ought not to accede to the request for reduction of land revenue.

“ Then, Sir, the Hon. the Finance Member says that the benefit accruing from the remissions would be going to the richer people alone and not the poor people, in spite of the tall talk about the poor man by hon. Members of this House; and so he says all that is said on behalf of the poor man is all insincere. Though he does not say so in so many words, that is what it comes to.

“ Sir, in this connexion, I should also mention the argument raised by the Hon. the Revenue Member when he spoke of the land revenue remission the other day. He said that the number of surrenders of land has not increased during the last two years in spite of depression; and so he jumps to the conclusion that this remission would not be necessary for the ryot. May I submit to him that he forgets the state of the country when he puts forward that argument? Here, in India, 80 per cent of the population depend on land for their livelihood. Whether they get any profit out of it or not they have perforce to depend on land for their sustenance. For the labour they expend on it they expect only a bare livelihood. If instead of two meals a day,

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they get only one meal, as a result of their cultivation of the land, they have to be satisfied; because they know full well that they have no other profession which they can pursue. So, that does not mean that agriculture is paying. Hence I submit the argument of the Hon. the Revenue Member is not valid. Sir, in England and other occidental countries, if a man finds that agriculture is not paying, he has got the alternative of going to some other work and thus finding a profitable job. But such is not the case in India, and so the argument of the Hon. the Revenue Member is not a fair proposition at all. Sir, when such a huge population as 80 per cent is dependent on land for its very existence it is up to us and up to the Hon. the Revenue Member to see that its position is improved, and not merely argue for argument's sake. Further, Sir, it has been found difficult of late even in Western countries for men to seek any lucrative occupation, and when that is the case in those countries it needs no words from me to say how much more so must be the position in India. Hence I repeat it is quite unfair for the Hon. the Revenue Member to argue in that fashion.

“ One of the suggestions that was made in this Council was a cut in the pay of the salaried officers for the purpose of finding some funds to meet the loss in the land revenue on account of the resolution advocating the 25 per cent remission that was passed the other day. Of course, the Hon. the Finance Member took a lot of pains to argue the point in favour of the officers. It is not a question of one keeping up a contract; it is not a question of one being envious of the lot of others, as he seems to suggest in his speech, with reference to what the salaried officers are getting. But the real question is when everybody is suffering, who is to suffer and how much is he to suffer? When everybody is suffering why should the salaried men be exempt? As a matter of fact, Sir, he is free from any suffering; and so legitimately there is a great deal of complaint in the country about this. Then, Sir, what amount of complaint there was in the country when there was a tendency the other way in the economic state of the world a few years ago, when the price of commodities was ruling high and there was scarcity of materials. At that time much hue and cry was raised that the agriculturist was making huge profits out of the rise in prices and that the salaried man was finding it difficult to make both ends meet. As a result of that allowances were given and the scales of pay were revised. Was there any complaint by the people against that? No, absolutely none. Did we hear a word about the contract in those days? No, Sir. Well, Sir, when the price has gone down and when money has appreciated and when the world's finances have very much depressed, if a proposal, as a temporary measure, is made that the salaried men should forego a fraction of their salary for the purpose of giving relief,—an admittedly necessary relief for the tax-payer,—as he is in a very bad condition, as he is not able to find money for paying the tax and as he is not able even to market his produce,—when in such circumstances a proposal is brought forward, the question of contract is raised. I submit, at this juncture, Government ought not to raise the plea of contract.

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“ The Hon. the Finance Member also said that these salaried officers are also paying taxes. I admit they are paying taxes. But the taxes they pay are different from those the agriculturists are paying. The salaried officers get their salary in money and they have no difficulty in paying the taxes. But in the case of the agriculturists, they are unable to market their produce, and even if they are able to sell the produce, the money value of their commodity has so much depreciated that it is difficult for them to find money to pay taxes. So, Sir, I submit that here is a good case for the agriculturists. It is admitted by the Hon. the Finance Member himself that we do not know when the depression will disappear; and knowing this, it is quite unfortunate that Government do not make a serious effort to help the mass of the people. We are asking the Government to remit 25 per cent of the revenue. Even though that is a small amount, Government are not willing to agree to it. They say they will give a concession of $6\frac{1}{4}$ per cent in some cases and a concession of $9\frac{3}{8}$ per cent in some other cases, and even this is not a remission but is only a postponement of collection. How these things are going to work in practice has yet to be known. The concession meted out is one anna in the rupee in some cases and one anna and a half in the rupee in the other cases; and the ryot is not going to be benefited to any great extent. It may be that the concession may not reach the poor ryot and he may have to pay the amount where collection is ordered to be postponed twice over.

“ I was saying, Sir, a few minutes back, that so far as the reduction in the land revenue is concerned, it was due entirely to the fact of the general depression in the country, which the Hon. the Finance Member himself has admitted in so many words to be very bad. We have been seeing of late, Governments of other countries taking steps towards helping the people to tide over the depression by forming farm boards for giving credit and for marketing produce and the like. But, here, unfortunately nothing is done. Unfortunately, the Government of Madras lay behind even the other provinces in India. In other provinces in India, like the United Provinces steps have been taken to help the agriculturist, and as many as four Bills were passed in the last meeting of the Council to help the ryots with reference to debts and other matters. In Bengal and in the Punjab, officers have been appointed for the purpose of rural upliftment and to devise measures to help the ryot to market his goods, to assist him in his financial and other matters.

“ It is well known in this Province that Government would not move to do anything of the sort. I have been trying my best to bring forward a Bill for debt conciliation. It is now something like nine months since I brought that Bill. The previous publication of the Bill was refused: and at last, last month it was to have come before the Council; but as I had to be away to represent Madras Government elsewhere it was not moved in the Council. I have requested the Government to have it published in the Gazette and allow me to bring the Bill to the Council at least now before this session is over. I am glad the

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Hon. the Revenue Member drew pointed attention to that Bill and said that the introduction of a Debt Conciliation Bill was the proper method”

The Hon. Sir ARCHIBALD CAMPBELL:—“ I did not say so. I merely referred to that and said that other methods were being considered by various other people.”

Rao Bahadur T. A. RAMALINGAM CHETTIYAR:—“ At any rate he considered that it was one of the methods.”

The Hon. Sir ARCHIBALD CAMPBELL:—“ I said that other methods were being considered.”

Rao Bahadur T. A. RAMALINGAM CHETTIYAR:—“ All right ‘ being considered.’ In this case I expect the Government will give me at least as much facility as possible and see that that Bill is passed into law as soon as possible.

“ Anyway, Sir, the Central Provinces has already passed a similar law. Bengal has already decided to bring in a similar measure like it and have also appointed a special officer. Only the *Hindu* of yesterday mentions the appointment of the officer and one of the purposes for which he is appointed is to arrange for debt conciliation. I understand that Bombay is drafting a Bill. Still the Madras Government would not move at all. They have not given any facilities for the ryot to get credit and wipe off his indebtedness. That is what it is and still the Hon. the Finance Member wants to say ‘ we ought to feel our responsibility in this matter.’ I will only say that after all their responsibility does not consist in merely keeping the contracts and things of that kind. Do the people exist for the Government or the Government exist for the people? If the Government exist for the people they (the Government) will have to look to the prosperity, the contentment and the well-being of the people. Does the Government consider these things or is it the fact that they do what they like and people have to adjust themselves to whatever they do? It looks as if the Government are thinking only of their officials and their interests in all that they do and they have the least consideration for the welfare of the people. If the Government are talking of Reforms in season and out of season and if they have got certain duties and obligations to fulfil with reference to those Reforms, they will also have to see that they keep the people contented and make them feel that they are satisfied with the existing order of things. The people should feel that Government have been feeling for them and have been looking after their interests. Is the Government doing that? That is the position which I will ask the Hon. the Finance Member and other hon. Members of this House to consider.”

* Rao Bahadur T. M. NARAYANASWAMI PILLAI:—“ Sir, the previous speaker referred to Bengal and the methods adopted in that Province as well as other provinces to introduce Bills like the Debts Conciliation Bill for removing the evil effects of economic depression and indebtedness. (Of course it is no doubt necessary that this Province also should

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introduce methods of that kind. But reference to a province like Bengal brings to my mind what I read in yesterday's paper. It stated that Bengal has a deficit of 2 crores of rupees. Then I thought we were really in a much happier position. Fortunately we are not in that plight now; it is all due to the courage and foresight of the Hon. the Finance Member. A danger of that kind threatened us two years ago and it was the Finance Member who saved the Province from a crisis of that kind. We must all be grateful to him for that assistance; but it does not mean that we all agree with what he has done for us in the present Budget. We feel we cannot agree with him in what he has stated with regard to the reimposition of the cut in salary and the remissions of land revenue. With regard to the introduction of a cut in pay, he has stated it is a solemn pledge which he has given to the Government employees, that it was a cut imposed at a time of extraordinary and exceptional distress—a temporary one—and that it must have been the first claim for being lifted. With regard to this statement, I ask: is this the only pledge which the Government have made, or are there other pledges? What about the pledges which the Government have given to the tax-payer when they enhanced the stamp duty? Why should this pledge alone have preference over the other one? Sir, is this really a matter on which the Government can take this strictly technical attitude? As my previous speaker pointed out, the case of the Government servant's position has to be viewed along with the position of other people. A Government servant is also a citizen. It must be admitted that he is having a better time due to the fall in prices. If so, is it not his duty to come forward and help the State at this time of exceptional distress? That is what we all request the Government employees to do. It is not as if we envy the position of the Government servants. It is the duty of the Government servants themselves to come forward with a voluntary cut and prove to the people that they share with them their distress. It is no answer to say that a 5 per cent cut would give us only 13½ lakhs. If so, let them impose a greater cut so as to secure a saving of 26 lakhs instead of 13½ lakhs. This cut has not been continued only by the Madras Government. What about the Government of India? Did they not also make a pledge? What about other Governments? Is it fair on the part of the Government to say 'Look here, we have been getting on with normal budgets; we have been budgeting for equilibrium; we have been providing for some Part II schemes and also providing for land revenue remissions.' That is what the Hon. the Finance Member is saying on page 8 of his speech. But what is the method by which he has been doing all these things? Is it not by taking from the people more than what they are able to pay? That is the question which ought to have been tackled by him and I find in his Budget speech no answer to this. I submit that the arguments advanced by the Hon. the Finance Member with regard to the reintroduction of a cut in salary are not convincing. Whatever may be the extent of the cut, in fairness to the people, the Government should reimpose the cut.

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"The next point to which he has devoted his attention is about the land revenue concessions. I am afraid this is a topic which has been spoken threadbare in this House. I am not ingenious or clever enough to adduce additional reasons. We have only to repeat our prayers perhaps to the extent of tiring the Government. With regard to the question of land revenue remissions, is the policy adopted by the Government right? According to the Hon. the Finance Member the land revenue remission, if given, is not going to benefit the poorer pattadars, nor is it possible for the Government to do away with the poverty of the Indian peasantry as a whole. Sir, the remission, however little it may be, will be greatly appreciated. There is no use of saying that pattadars paying Rs. 10 will not be benefited and so on. There are other pattadars who are paying a higher percentage of tax to the Government and for them it will be a great relief if 25 per cent reduction is given. I do not think it is right that Government should neglect the interests of the rich pattadars who pay more than Rs. 10. Further he says if there is a remission of 25 per cent, there will be an additional loss of 61 lakhs in 1933-34 and Rs. 90 lakhs in 1934-35 and he goes on to say 'at the end of 1935-36 our revenue balances would have been swallowed.' The danger that might threaten with regard to the swallowing up of our balances cannot be a criterion in this respect. The depression is either permanent or temporary. He seems to think it is temporary; and there are signs of the cloud leaving. If it is temporary, let us hope it is temporary, surely there is no harm in utilizing the balances, during exceptional times, to meet an emergency. If it is permanent, then the difficulty arises. No doubt we cannot have balances to meet the contemplated remissions; but the question then is whether the present level of taxation is a thing which the ryot can afford to pay. While analysing the position of the Government, the Hon. the Finance Member says: 'Look here, the economic depression is world wide; it is not a problem which can be dealt with by me; it must be dealt with international Governments and not by subordinate Governments like the Madras Government.' What he says is we must assist the ryots by giving them such remissions as we can afford to give them consistently with our duties to the people committed to our charge. Exactly that is also the stand which I wish to take on behalf of the people. Should not the Government ask itself whether the ryot is in a position to pay whatever may be the demand or the interests of the Government? Should it not set before itself this primary criterion, viz., whether the ryot is in a position to pay the present rate of taxation? To that question there is no answer in the Budget speech. That question seems to be shelved. On the other hand there seems to be profuse sympathy for the cause of the ryots and their difficulties. What is this sympathy for? Do the Government say categorically that the ryot is paying what he can afford to pay? I submit that the admission by the Government that the ryot is entitled to a land remission of $12\frac{1}{2}$ per cent clearly proves that the Government feel that the ryot is not in a position to pay to that extent at least.

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“What is the method by which they arrived at this 12½ per cent and why do they say that the ryot is not entitled to 25 per cent? The remission is called for by the low level of prices and the present level of prices really requires a remission of 25 per cent. The demand for a remission of 25 per cent is not an extravagant one. The arguments put forward by the Hon. the Finance Member with regard to the revenue concession are not convincing. He should have taken a more sympathetic attitude and granted a remission of 25 per cent. But there is one thing which pains me. The concession granted this year is less than what was granted last year. I refer to the case of dry lands. Do they mean to say that the position of the ryot is not worse now than what it was last year? Then why withhold the concessions which they granted last year? So far, the Government have put forward arguments to show that a 25 per cent remission would not be possible. If 25 per cent is not possible, what about a remission of 18¾ per cent, a *via media*, a percentage recommended by the Finance Committee? 11-45 a.m.

“Sir, if the depression we are now in, is going to be a permanent feature, we cannot afford to keep the taxation at this high level and we must lose no time in adjusting the taxation to the ability of the ryots to pay. We must not allow things to drift and later on find ourselves in great difficulties. Of course, I am in complete agreement with the sentiment expressed by the Hon. the Finance Member, at the end of his speech, that on the eve of the introduction of new Constitutional Reforms, we should not do anything which would jeopardize the success of the Reforms. But I should like to ask: Are the Government advancing the success of the Reforms by having these surpluses and by having over-taxation? As he himself said—I think it was in the year before last—if our economic resources are such that we cannot maintain our present standard of living, we will have to reduce it. There is no use of saying, ‘Here is an expenditure which is settled for all times, which is unalterable. You will have somehow to find the money to meet it.’ I submit, Sir, that is not the way of looking at taxation proposals. The Government seem to feel that the ryot is not in a position to meet the demand made on him, but still they do not give him the necessary relief, because they have committed themselves to a certain level of expenditure. But that is not the correct attitude which they should take up. We greatly regret that the Government should have taken this position on these two outstanding questions. It would have been better, if they had at least accepted the resolution of the Finance Committee.

“I wish to draw the attention of the Government to one other matter. We are glad to note that the Government have consolidated their loans and tried to secure a lower percentage of interest. In our district, there are a number of land reclamation societies and I myself have something to do with them. They have, I think, written to the Government saying that it is impossible to pay the interest at the rate of 6 per cent. The Government have by an order passed at the time when the societies were formed, directed that an interest of 4 per cent

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might be charged on the loans for a certain period. That period expires by the end of March 1934. I pray that the concession may be extended for two or three years more, as in the present state of economic depression the ryots are very hard hit and they are unable to pay interest at 6 per cent."

MR. M. A. MANIKKAVELU NAYAKAR:—"Mr. President, Sir, looking merely to the immediate present, I should say that the budget is not only all right, but it is also commendable in every way. But, taking a longer view of the matter, the Budget is extremely defective. The Budget of this year will be judged mainly from two standpoints, namely, the remission of land revenue and the 'pay-cut'; and quite rightly has the Hon. the Finance Member devoted great attention to these two subjects in his Budget speech. With regard to land revenue remission, the Government have clearly admitted both in their Press Communiqué and in the speeches of their spokesmen in the Council that there is a real demand for remission. I would just refer to what is stated in paragraph 2 of the speech of the Hon. the Finance Member:

'The cloud of that depression still rests upon us. Prices have continued at or about the low level to which they had sunk at the beginning of the year and difficulty of obtaining credit still continues.'

"Again at page 11 he says—

'If they have felt obliged to resist the exorbitant demands for land revenue remission that have been pressed upon them, it is not because they do not realize that the fall of prices has caused and is causing hardship to many, but because, in dealing with those demands, they have felt it their duty to take longer views and to consider the near future as well as the immediate present.'

"The very fact that the Government have given a remission, meagre though it is, goes to show that there is a clear case for remission. But what is the difficulty for the Government to give the full amount of remission asked for by the almost unanimous vote of the House? Their main objection is they could not find the money to meet that exorbitant demand. But, let me here state briefly the present condition of the ryot. Everybody knows that he is passing through a very acute economic depression and he is bereft of any initiative to improve his land. He is weighed down by a load of debt which has been increasing for a number of years. Last year, at least, he had some means of paying the kist by selling what little gold he had, but this year even that has gone. More than this, this year, the Collectors are pursuing a very rigorous policy in collecting the kist. I do not know whether the Government have issued any confidential circular to Collectors, otherwise there is no reason why they should be more rigorous this year than last year. I can speak from my own personal knowledge that the Collector of North Arcot has given very strict orders in the matter and the tahsildars and the village munsifs are very severe in collecting the kist. Of course, the Government may say that they have been able to collect the kist without having recourse to land sales. But that does not show that the ryot has had the reserve money to pay the kist. We all know that the Indian ryot has got so much attachment to his

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land that he would somehow find money to pay the kist: he would beg, borrow or steal, in order to pay the kist and prevent attachment of his land.

“ Sir, I submit that when the ryot is suffering from the great economic depression, there is not much use in spending vast sums of money on the Agricultural Department in order to improve agriculture in the Presidency. Unless the ryot is enabled to live, what is the good of teaching him improved methods of agriculture? When he is finding it hard to keep his body and soul together, it is no good spending large sums of money on the Agricultural Department.

“ The Government have stated that it would be extremely difficult to give a remission of 25 per cent which would amount to a very large sum, but that does not mean that they should not give a little less than 25 per cent. They may give greater relief to pattadars who pay Rs. 10 and less, than to pattadars who pay big sums of money. In some of the neighbouring Indian States and in French India they have given remissions to the extent of 25 per cent. I understand that in Bombay they have given remissions ranging from 25 to 30 per cent. That being so, I do not understand why in this particular province, alone, the Government should not give the necessary relief to the ryots.

“ Of course the Government may legitimately ask that non-official members should suggest ways and means to meet the extreme demand for land revenue remission. I think, Sir, that the necessary money could be found in two or three ways. In the first place, just as a year or two ago, the Government made retrenchments in administrative expenditure and saved about a crore of rupees, I believe that there is further scope for making retrenchments to the extent of, at least, another half a crore of rupees, which they can effect, if only they have the will to go into the matter again. With regard to the ‘ pay-cut ’, I am afraid, that the Government is very stubborn. The Hon. the Finance Member talked of pledges to Government servants. But what about the pledges Sir George Schuster gave to the Government servants of the All-India Services? Does he treat his pledges as of no value while our Finance Member alone tries to honour them? ”

The Hon. Sir HOPETOUN STOKES :—“ Better ask him.”

Mr. M. A. MANIKKA VELU NAYAKAR :—“ I am not in a position to ask him from this place. In this connexion, I should say that the Government of Madras put the Government of India in an embarrassing position by imposing a uniform cut of 10 per cent when the Government of India wanted to introduce a graduated cut. I think I am right in saying that the Government of India have been impressing upon Provincial Governments that a graduated cut would be far better than a flat cut, but still, the Government of Madras wanted to have their own way and imposed a uniform 10 per cent cut. Even, if the Government of Madras impose a 5 per cent cut on the salaries of their

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Provincial and Subordinate services, just as the Government of India have imposed on the salaries of their officers, we could save about Rs. 13½ lakhs. Some amount can be found from the large—I would not say large—from the revenue balances of the Government. But that is only as a last resort, if the Government are not able to meet the demand for land revenue remission with the amount saved by way of retrenchment in administrative expenses and by the 'pay-cut.'

"On page 8 of his budget speech, the Hon. the Finance Member has tried to show that the financial position of the Province has improved and that there is no necessity for a salary cut. But that argument, I submit, is a little fallacious. What he has attempted to show there is that the financial condition of the province is much better now than what it was in 1930-31 and 1931-32 and therefore the Government could well afford to do without a salary cut. But how have the Government been able to reach that sound financial position? It is not by any increase in our revenue, but it is because the Government made drastic retrenchments in expenditure and withheld many part II schemes. Thus their financial position seems to be sound. But the real situation all the same is just as it was before, if not worse. Therefore, there was no justification whatever for having removed the salary cut. In this connexion, I will read a passage from this book which deals with the way in which one of the rising countries of the East frames its budget and spends its money.

12
noon

'Evidence of the importance which the Tokio Government attaches to a "low taxation" policy, as a means of assisting industry and the necessary expansion of trade (upon which a growing population depends for both work and welfare), is shown by the fact that the Minister of Finance is facing a budget in which expenditure exceeds revenue by 70 per cent rather than propose any increase in taxation.

'The revenue for 1933-34 is estimated at 1,341 million yen and expenditure at 2,237 million yen. The deficit, amounting to 896 million yen, is to be met by borrowing in the form of domestic loans issued by the Bank of Japan. To this deficit must be added a few smaller bond issues for expenditure on pensions, earthquake reconstruction, etc., which will bring the total borrowing for the year to 1,100 million yen. In other words, expenditure for the current year will be almost double the revenue.'

"From the fact that expenditure far exceeds the revenue in Japan, one should not think that that country has no correct principles of budgeting. The following will clear that misapprehension.

'In the financial sphere, Japan has shown herself not only a nation which can be trusted wisely to husband her national wealth, but also one which observes all the rules of financial rectitude and orthodoxy.

'That is the state of affairs in a country where the Government is anxious to advance the welfare of the masses of the people and is really interested in looking to the advancement of the country with an idea of a longer view of the situation; the Hon. the Finance Member stated that we must take a longer view of the situation. If he takes a longer view of the situation, the Hon. the Finance Member would have seen his way for giving greater relief to the large number of agriculturists who are now ground down by the acute poverty they are experiencing. Unless their lot is improved, there is no good spending money

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to develop schemes or putting by money for the future Government to be inaugurated. Unless there is a contented and well-fed nation who will be able to launch upon schemes of progress, there is no good putting by large revenue balances to be pounced upon by the Imperial Government as they did in times quite recent."

* Mr. A. B. SHETTY:—" Mr. President, Sir, the Hon. the Finance Member says that Government have now for three years not only balanced their budgets but they have provided for substantial expansion of expenditure as well as for substantial remission of taxation. So, Government do not consider that the existing circumstances justify recourse to the expedient of the re-imposition of the pay cut. The Finance Member does not think that there is any necessity, at least in the interest of the smaller ryots, to give more remission as asked for by this Council. Further he says that, if we give remission to the extent urged to by this Council, disaster will happen; the whole of our revenue balances will be wiped out by 1935-36. It seems to me that the discussion of the Budget this year will centre round these two main questions, viz., the re-imposition of the pay cut and the necessity for larger remissions. Member after Member has, during the debate on the resolution about remission of assessment, advanced arguments and made out a fairly good case for larger remission. I do not wish to traverse the same ground. It is significant, Sir, that even such a friendly critic of the Government, as the *Madras Mail* has not, been satisfied with what the Hon. Finance Member has said regarding the question of the re-imposition of the pay cut. What I wish to urge is that Government should not rest content with merely balancing the Budget and having a safe margin of balances. Their duty does not end with collecting taxes to the last pie possible, maintaining law and order with a firm hand and carrying on the routine administration. The welfare and prosperity of the people committed to their charge ought to be their main concern. What is the condition of the people to-day, Sir? The bulk of the people of this province, as has often been said, depend upon agriculture. Agriculture has to-day ceased to be a paying profession. The state of our industries, cottage industries as well as major industries, is far from satisfactory. The co-operative movement is in a tottering condition in many places. People are steeped in debt. Unless there is a prosperous peasantry, Sir, trade, commerce and industry cannot prosper. The peasantry form the backbone of a nation. As it has been truly said, they are the people who carry us on their backs. What have Government done to improve the condition of the ryot population? Mere retrenchment and remission is not sufficient to meet the needs of the situation. Government ought to take the necessary steps to raise the prices of agricultural produce upon which the prosperity of the ryot depends. The prosperity of this province as well as the prosperity of the Government are closely bound up with the prosperity of the ryot. The Hon. the Finance Member points out that the character and the causes of low price levels and the various problems presented by the depression are none of them the matters with which individual Governments, not even the Governments of great States, can effectively deal, much less a subordinate Government such as ours. So he says

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it is idle to expect the Provincial Government to find remedies for an evil the causes and the cure of which are beyond their competence. It is true, Sir, that the authority for the remedies of the present depression rests to a great extent upon the Central Government which deals with questions of exchange, currency, banking, freight, tariffs, protection, etc., questions which have a great bearing upon the development of trade and industries. Some of the causes of the present depression are not within the purview of even the Central Government. They require international action to tackle them. We recognize the limitations of the Local Government in this matter, but I ask whether the Local Government are doing what they can in matters which lie within their province? I think, Sir, there should be a well-laid out plan of economic development for the whole province. Mere haphazard development in one department alone or in another will not do much good. In most European countries and in Japan the State has accepted it as its duty to follow a policy of a well-planned economic development spread over a series of years. What Russia has been able to achieve as a result of the five-year plan is to-day the envy of the world. A second five-year plan is in operation now in that country. Russia is a country similar to India in many respects. It is a country with vast undeveloped resources and a large rural population. Look at what Japan has been able to do for industrial development by getting foreign experts, starting model factories and so on. Denmark shows what profits can be derived by a well-considered development of agricultural co-operation. There should be an economic survey of the province by experts and this should be followed up by the establishment of an Economic Advisory Council or Economic Bureau for co-ordinating the activities of the several departments dealing with matters economic. It may no doubt be pointed out that the Government of India themselves have set on foot an economic enquiry, an economic survey in the whole of British India. But this province has no excuse for inaction; this province too must take up the question and see what they can do in matters which lie within their province. The Bengal Government have not made the action taken by the Government of India an excuse for inaction. They have set up or they are going to set up a board of economic enquiry. The United Provinces Government established an Economic Board and an Economic Bureau three years ago. The United Provinces Council has passed, and the United Provinces Government have accepted, the resolution moved by Mr. Chintamani in last December in regard to this matter. Now, Sir, look at the future. There is little scope, at least in the near future for expecting increased income from land revenue; and if the prices continue as they are to-day—if there is no increase in the prices—Government will have to make land revenue concessions a permanent feature of their Budget, and this would involve a loss of several lakhs of rupees annually.

“The Hon. the Finance Member has pointed out in the report of the proceedings of the Finance Committee that there is a progressive increase of expenditure to the extent of 10 lakhs annually on account of increments, growth in pensions, Education Taxes Grant and so on. The

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coming Reforms will increase expenditure and if we are to keep up the progressive character of the Government, we shall have to find more money to meet the increasing needs of the nation-building departments. How are the Government going to find money for this increased expenditure? Government should not allow matters to drift; they must follow a well-planned development, a well-planned scheme of economic development; they must see that there is steady improvement in the economic condition of the people. They must concert measures for increasing the prosperity of the province; they must develop the tax-paying capacity of the people. It is only in this way that they can find money necessary for the increasing needs of the future. In this province, Sir, where the area is so wide and the population so large, the revenue of the Government is not at all proportionate to its needs. There is no use in having a hand-to-mouth Budget. If the Hon. the Finance Member and the Government are really anxious—as they seem to be—to start the new Government with their finances in a very favourable position, they must try to improve the economic condition of the people, to find out new sources of revenue which people can easily pay and to obtain more money in years to come for meeting the increasing needs of the administration and the several nation-building departments.”

* Khan Bahadur YAHYA ALI SAHIB Bahadur:—“ Mr. President, Sir, I have listened with close attention to the Budget speech of the Hon. the Finance Member. Not satisfied with the first impression, I have read his speech in cold print. I must say at the very outset that it gives a very lucid and vivid picture of the finances of the province not only for the current year and coming years but also of the previous quinquennium. He has told us how he has been able to save us from the state of financial bankruptcy of the year 1930-31 with a deficit of one crore which faced us. We are in a very happy position to-day; we find ourselves faced with a Budget of financial equilibrium, having provided for an expenditure of 25 lakhs of rupees on Part II schemes and with nearly 60 lakhs of rupees of land revenue remission, having had also to face great reductions in revenue under several heads. As an experienced financier, I believe his performance really deserves praise, especially, Sir, when we see the financial position of the other provinces and also of the Imperial Government. Therefore, I feel, at the outset that this is a matter in which our province has to be grateful to the Hon. the Finance Member for the efficient way in which he has piloted the finances of this province. 12-15
p.m.

“ There is no doubt some room for differences of opinion with regard to one or two items in the Budget. An hon. Member referred to the fact that in the by-gone days, we used to have a regular carnival of forensic display at the time of the general discussions on the Budget. I would, however, on this occasion, limit myself to two important questions which practically formed the pivot of the Hon. the Finance Member's speech, viz., the question of the pay cut and the question of further land

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revenue remission. Arguments on both these questions have been advanced *ad nauseum* on the floor of this House; but probably they have to be repeated once again during the coming three days. Before I take up these questions, I wish to make one or two general observations on the Budget proper.

"Sir, the first thing that a perusal of the Budget strikes me is the change that has been made with regard to the charging of expenditure upon capital works to revenue balances. In framing the previous Budgets, the Government charged such expenditure to current revenues and serious exception was taken to that course. I am glad to observe, Sir, that the Government have in the current year changed that policy, and have charged the expenditure to revenue balances rather than to current revenues. But it seems to me, Sir, that though in normal times that course may be sound, in exceptional times like the present, the procedure may be adopted of meeting expenditure, especially non-recurring expenditure, on capital works, from loan funds rather than from the accumulated balances. Those schemes are calculated to confer advantages on posterity; I feel, Sir, that posterity would have to pay for it. The further advantage that we would get by adopting such a course is that the repayment of the loan would be spread over a considerable number of years, and particularly at the favourable rate of interest at which the Central Government are giving us loans; the charge upon the revenues of our provinces under such heads will be very much less. Of course, Sir, I realize that arguments may be advanced to the effect that, when there are balances on hand, there is absolutely no justification whatsoever for expenditure like that being met from loan funds, and that we need not borrow any money, especially when we can afford to otherwise raise the money. But the question has got to be tackled in its true perspective; when we find that there are other demands on our current revenues and on our balances, which are more imperative and urgent, it seems to me that to deplete the revenue, balances by this means and then go to the country and say that there are no balances and that the balances are likely to be swallowed up within a period of three years, is cutting the argument both ways. During this crisis particularly, I feel that, if this expedient is adopted of charging all capital expenditure to loan funds, our balances would be in a much sounder condition and we shall be able to tide over the present financial crisis for a much longer period.

"Coming now to the question of the pay cut, I really do not wish to say much; for, the many speakers who preceded me have already spoken on that question and have advanced all the arguments that could probably be advanced. One hon. Member referred to the fact that the Government of India also had given a pledge of a similar complexion that the cut would be restored as soon as the finances improved; and I think I heard the Hon. the Finance Member interject that Sir George Schuster might be asked about it. I am quite sure, Sir, that if Sir George Schuster is asked about it in the Assembly, his answer would not be in the same terms as those used by the Hon. the Finance Member at page 8 of his speech, viz:

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‘It cannot, I think, in the face of these figures, be said that we are confronted now with a financial crisis such as would justify us in again having recourse to an expedient adopted only by reason of the suddenness and magnitude of our past difficulties.’

“It might be said that the Government of India have not apparently tided over their financial difficulty just as the Madras Government have done. But, on the merits, Sir, I feel that this is only one of the three expedients which have been suggested for the purpose of enabling a larger amount of land revenue concession being made. The Finance Committee suggested that the concessions that they were proposing should be given, and that if necessary, the Part II schemes might be reduced, that if further necessary, the pay cut might be resorted to and thirdly that if absolutely necessary, the accumulated balances might be attacked. I say, Sir, that unless the other two expedients are exhausted, viz., reducing the Part II schemes and taking the money required from the balances, the sanctity of the pledge that was given should, to a large extent, be maintained. Arguments have been advanced that there has been a reduction in the prices of food-grains and that on this basis, the salaries of Government officials are now double their previous worth, that the grain-value of their salaries has increased. I do not believe, Sir, that in the case of all the food-grains, the current prices are in any way appreciably lower than in normal times; and I submit, with great respect, that to attach increased value to the salaries of these officials on this ground, is a great fallacy. The question of utilizing the balances has not, I am afraid, been sufficiently considered. Balances are after all accumulations of a prosperous time, and in times of adversity, there is absolutely no justification for maintaining those balances untouched. The Hon. the Finance Member, though optimistic elsewhere, suddenly grew to be a pessimist when he came to that part of his speech which related to the balances. He has generally taken throughout a very rosy view of things; but when he came to this question, he stated that within three years all our balances would be completely wiped out. I beg to differ from him. I feel, Sir, that that argument proceeds on the footing that this particular crisis is going to last for ever, and that the concession that is being asked on behalf of the ryot is something in the nature of a permanent concession. I think that the country, and I believe, this House, will be the very first to come forward, when prices have come to the normal pitch, to see that the concessions that are now sought, are withdrawn. It is not the policy of this Council to unnecessarily help the landed aristocracy, the land-owning classes, when there is no justification therefor. When they can afford to pay, certainly it is not anybody's intention that they should continue to get the concessions. I trust, Sir, however that very soon the equilibrium will be restored and that there will be no necessity for taking such a gloomy view of the future as the Hon. the Finance Member has taken in that part of his speech.

“Then, Sir, as regards the land revenue remissions, I have only one submission to make. The Finance Committee recommended a

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certain proposal; and I remember during the discussions on this question on the last occasion, the Hon. the Finance Member gave out that the concessions proposed by the Finance Committee would cost about Rs. 75 lakhs. The loss of revenue on account of the concessions granted by the Government during the current year, amounts, I take it, to about 62 lakhs. The difference between the two is only less than Rs. 14 lakhs; and surely it cannot be insuperable to meet this small additional amount from some head or other. Although the Hon. the Finance Member dealt with this question elaborately in his Budget speech, he has not chosen to tell us how the figures would work if the Finance Committee's recommendations had been accepted. The House may perhaps remember that speakers, on this side on the motion regarding the remission of land revenue, made it perfectly clear that this side was voting for the reduction because there was no other alternative proposal before it; and also stated at the same time that if the Finance Committee's recommendations were accepted by the Government, they would also agree. I adhere to that position even to-day. I feel, Sir, that the Government should show some imagination in the matter and carry out the recommendations of the Finance Committee, for whom, I am gratified to see, the Hon. the Finance Member has nothing but appreciation. If those recommendations are accepted, they will be a substantial concession shown to the ryots, while such acceptance will also mean that some consideration has been shown to this House."

12-30
p.m.

* Rao Bahadur C. NATESA MUDALIYAR:—"Mr. President, Sir, I cannot but thank the Hon. the Finance Member for having balanced the Budget, between an ill-conceived and miscalculated top-heavy administration on the one side and the relief and the nation-building necessities on the other side. I quite understand the strain which he would have undergone in struggling through. Really, I am extremely thankful to him. I would have been very glad if he had accepted at least 18½ per cent revenue remission. Sir, he is very solicitous and sympathetic towards the officials in not reimposing the cut in their salaries. May I ask, Sir, what about the heartless retrenchment that he and the Retrenchment Committee made in the various departments? What about those people who after putting in five and ten years of service were left helpless in the streets of the City, as a result of the retrenchment? They were sent away, without the least care being taken of wherefrom they were to get their maintenance for themselves and their dependents, without a thought being bestowed on, that they had entered Government service, not caring for other services and because they thought that there was stability in Government service. What is their fate now? After five or ten years of service they have become over-aged and therefore cannot be taken into any other service. In these years they might have developed a family with five or six children. Did the Government think of their plight? Are they prepared to think of it to-day at least? What is the use of being solicitous to the present clerks in the service, especially those who are escaping the rigours of the present distress because things are now selling so

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cheap? I ask the Hon. the Finance Member what answer he is going to give to this question. What about the unemployment in the City and in the mufassal? Of course, we wanted appointments being made according to the Communal Government Order. That was only with a view to satisfy in a way the claims of the various communities and to create a spirit of love, trust and regard among them towards one another. I am, of course, extremely thankful to the British Government that now at least we are thinking of the communities which were not thought of, for centuries together, some of these at least having been neglected for over 2,000 years.

“ Now, Sir, what about the unemployed? In the City of Madras alone, there are about 485 educated unemployed degree-holders and these men possess Foreign, British and Indian, Medical, Legal and Arts and other degrees. What are we doing for these people? Will you now at least wake up and see what can be done to satisfy these 485 educated unemployed degree-holders, in addition to the 2,024 unemployed S.S.L.C. certificate-holders, sitting quiet at home and doing no work, in the very metropolis of the British Government. I may tell you, Sir, that this kind of injustice is not being done anywhere in this world. In England, no person should starve and that is the way in which the unemployed are being taken care of, there. Now, we Indians are under the protection of the British Government. Why don't they transfer at least something of the sympathy that they have for their countrymen to the people of this country? I therefore ask the Hon. the Finance Member what the Government are going to do for these educated unemployed.

“ Now, as regards the mufassal, the same thing happens there. There are about 479 degreed people without any employment, and there are besides not less than 1,985 passed S.S.L.C. candidates, doing no work. Should we not do something for these people? Are not other civilized countries doing something for such people and why should India alone—the land of the Bagavath Githa which preaches that the whole world is a single human family—be subjected to this miserable condition. Here, I may inform the House what Germany is doing for her unemployed? All the unemployed are treated as poor and given assistance and the word ‘ pauper ’ is not found in the dictionary of the German people and no pauper should exist in Germany. ‘ The relief of the poor is one of the statutory obligations imposed on the authorities by imperial legislation supplemented by State statute. ’ That is the condition in Germany and what are we doing for our own unemployed? Now, let us see who are considered, as poor in Germany. The poor relief authority of Berlin regards as needing assistance, any person, not being work-shy, or of drunken or immoral habits, who in consequence of lack or diminution of work or of the loss of the bread winner is unable by his (her) own work or resources to provide for himself (herself) and his (her) family, the necessary food, clothing, shelter, household utensils, etc. All these things are supplied by the

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German Government to those people who are without work or who are not earning enough. In fact, there is a Poor Inspector, who goes out and finds out whether the bread-winner is earning enough for his maintenance and that of the family and if he reports that the bread-winner is not able to support himself and his family, then the Corporation or the Government goes to his rescue. That is the way in which they regard their people. And the whole world is doing similar things whereas, we are not caring for our brethren who are suffering. I am speaking of the educated unemployed. Now, what about the uneducated unemployed forming the labouring classes who, I believe, are at least ten times as many as the educated ones.

“Again, Sir, in the Survey Office, people, who have put in a service of 25 years or so, are sent home without any pension or gratuity. Why should not Government give them at least gratuity or pension in view of their long service. Even in Government service, if a person serves for 25 years and on the eve of his retirement if he dies, what do the Government do for him. Nothing whatever. In such cases, in view of the length of his service, should they not at least give some pension to his family. That is the right thing that should be done. Is not such a thing being done in Mysore and in the Nizam's State. What is it that our Government do for such men? Again, Sir, the English social worker will ‘seek in vain in the German Poor Law vocabulary for any term corresponding to the ugly word “pauper”.’ (Mr. P. V. Krishnayya Choudari: May I know from what book he is reading?) From the book entitled ‘Municipal Life and Government in Germany.’”

Mr. U. C. SUBRAHMANYA BHATT:—“On a point of order, Mr. President, whether this sort of conversation across the table can take place?”

* The Hon. the PRESIDENT:—“I do not think there is any conversation across the table going on at all. Mr. Natesa Mudaliyar may continue.”

* Rao Bahadur C. NATESA MUDALIYAR:—“And then, Sir, ‘the idea underlying German poor relief is that the poor man who temporarily loses his foothold in crossing the treacherous sandbanks of social life does not for that reason forfeit the respect and consideration due to him as a citizen.’ Let us now see, who are the people that form the poor relief committee. There ‘the administration of poor relief falls to a council consisting of twenty members, viz., the mayor, the medical officer of health, and persons nominated by the town council for five years, these including women and working-men.’ In Germany, it will be found therefore that the State is taking so much care of the people that highly placed men are on the committee for giving poor relief. If we consider the character of assistance given to the poor, it is stated ‘In most towns out-door relief is granted on the principle of ascertaining what may be regarded as the “minimum subsistence incomes”’

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necessary for individuals and for families of different sizes living at home, having regard to the principal factors in the cost of living, and such grants are made as are needed in order to bring the receipts of the applicants from other sources (if any) up to these amounts. The allowances naturally differ greatly in various towns. Assuming the absence of independent sources of income, the grants for a man or woman living alone range in the larger towns from 15s. to 37s. 6d. a month, though most rates fall between 20s. and 24s.; the usual rates for a family consisting of parents and three children range from 45s. to 55s. a month. Grants towards the payment of rent are also common.' It is therefore the duty of the Government to see that all the unemployed are given some maintenance or other. We do not care whether it is Brahman or Non-Brahman, Malayalee or non-Malayalee, they are all children of the State. They are the potential resources of the country and the Government should use their intelligence in such a way that they will improve the intellectual capacity of the country. In this respect, our South India can compare favourably or even much better than any other country in the world. These educated young men are now wasting their time and intelligence in waiting upon influential authorities. What the Government can do is that they can employ such men on research work, if the candidate is inclined to research by paying them maintenance allowance. So far as finding work for them, there is enough scope for the improvement of the country. If only the requirements are supplied to them. I am sure many people would come forward to take up such work. I will here quote what they do in Germany. I appeal to the young legislators to take up the legacy from us old people who may cease to exist in a few years and see that before their lifetime it is finished. We do not regard our unemployed as human beings even. So, there are many things in this book to which I would like to draw the attention of hon. Members. Most probably this book is in the Legislative Council, but I got it from the Madras Corporation."

* The Hon. the PRESIDENT:—"The hon. Member has exceeded his time-limit."

* Rao Bahadur C. NATESA MUDALIYAR:—"Thank you, Sir, I shall finish soon. Sir, the other day when replying to the various observations made by hon. Members in connexion with the debate on the Services Commission Report, the Hon. the Minister for Education characterized me as a 'hostile critic.' The word 'hostile' should not be used in this Council. Observations and criticisms from members of the Opposition even, ought to be welcomed. I am sure the Treasury Bench and in particular the Hon. the Finance Member will be glad to welcome healthy observations from the members of the Opposition and would not consider such observations and criticisms as hostile. When I was defending the Government against its critics, one Hon. Gentleman on the Government Bench said that I was hostile to the Services Commission. Now, if I support the Government, as I am

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bound to do as a party man, most probably he will request the hon. the Leader of the Opposition to suppress me. I do not want to take objection to the attitude he has taken, but I would only say that the word 'hostile' should not be used in this Council. (Mr. P. V. Krishnayya Choudari: Particularly to a party man.) Nothing of the sort. It should not be used even in respect of any member of this Council. With these few observations I shall sit down and speak on education at the time when the respective demands are taken up."

Mr. U. C. SUBRAHMANYA BHATT:—"Mr. President, Sir, the Budget which has been presented to us by the Hon. the Finance Member, I am constrained to say, is from the popular point of view a most unsympathetic one and which any Government could have presented, though from the point of view of the Government and their own officials, it is an apparently good one. I say 'apparently' because, in the long run they would themselves realize that they too will not be a gainer from the policy which they have been pursuing of late. Mr. President, Sir, the one thing which has been exercising the minds of public men, especially of men from the popular point of view, is where are we drifting to. With the administrative expenditure of the Government increasing from day to day, with the salary of the Government officers increasing from day to day and with the taxation—not only land-tax but every other kind of tax also—increasing, what is to become of the poor tax-payer and what is to become of the future administration of the country? That is the thing which has been exercising the mind of all public men. I am sure that that was felt to be also the weak point by the Hon. the Finance Member and that is the reason why—of course my own experience tells me, for I am a lawyer, and whenever my opposite side lawyer hints at a defence even before the defence is raised, I have been always thinking that that was the weak point in the argument of the opposite side; and here also it is true,—and that is the reason why the Hon. the Finance Member must have hinted to it in his speech to the two points. And that is the weak point. Now, Sir, the prosperity of every country depends upon the middle class people, the wealthy middle class. A flourishing middle class is the backbone of every country and of every country. In India, the agricultural class forms the major portion of the population and on the healthy and flourishing middle class, the prosperity of the Government must rest. If such is the case, what has to become of the Government in the long run if the agricultural middle class is to be impoverished and famine-stricken.

12-45
p.m.

"The important reason adduced by the Government for not giving the desired remission of 25 per cent to the agricultural ryot, is that they do not want to leave an impoverished treasury to the future Government. I ask the Hon. the Finance Member whether he is handing over a surplus to the future Government by leaving an impoverished middle class. In fact, there will be no middle class at all, and after wiping the middle class out of existence in this

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country, will any future Government stand to benefit by this surplus? Will it not be the primary task of any Government to foster and improve the middle class people who are the proper persons on whom any Government would rest?

"Then, Sir, there is the question of the pay cut. The Hon. the Finance Member said that it was only a national crisis which would justify a pay cut and the continuance of the pay cut should also rest on a national crisis. I ask the Hon. the Finance Member as to whether there can be any greater national crisis than the present one with a prospect of the wiping out of the middle class, the backbone of the country, on which the fabric of the Government and society is to be based. Well, Sir, if that very backbone is to be broken, is not the prospect of such a danger the gravest national crisis that will justify not only the pay cut but a drastic retrenchment all round. My submission, Sir, is that, apart from other things, that itself should justify a pay cut. That is a national crisis of the greatest magnitude. I am a student of history and I have read that about the 16th or 17th century what was threatening Great Britain was the wiping out of the middle class and the Government in England tried its best to prevent that, and that was the cause of the economic revolution in Great Britain. Well, Sir, are we not on the verge of another economic revolution which will destroy the social fabric of the whole of India if such a policy were to be continued. Now, Sir, if at all socialistic ideas have not so far prevailed in India, it is because the agricultural population of this country were against such ideas. With the social fabric falling, with agriculture as a non-paying occupation, will not these conditions tend to facilitate the introduction of new socialistic ideas in the country, and will not these things in their turn bring in their train much sorrow and suffering into this land? In this connexion I may say that this economic depression is not a new thing for India alone, but it is a thing which is prevalent everywhere else. At this time other Governments have come to the rescue of the people. They have tried to improve the economic condition of the people, to assist agriculture, to see that the prices of the produce are kept at a high level and in several other ways help them in this crisis. For instance, the United States, England herself, France and other countries have tried to keep up the financial stability of their respective countries, and also the prosperity of their population. But what have we done here? On the other hand, we are every day trying—I speak not only of the Government of India but even this Government—to impoverish the people further and further and add greater misery to the people. I am not here going to describe the condition of the ryot. We have heard it often not only here but also from the Press, and from the resolutions and motions passed by several agricultural associations. And it is also admitted by the Government themselves that the plight of the agriculturist is very bad. That being the case, I appeal to the Government to realize the seriousness of the situation and give the necessary relief which will be adequate to meet the necessities of the situation

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and save the middle class for the nation. The greatest disservice I should think which this Government is doing to any future Government, is impoverishing the people by taking more money from them than they could afford to pay with a view to hand it over to that future Government; but the real service will be to keep strong and prosperous the middle class which will at any time be able to give any amount of money if only it is helped by this Government. The policy of getting money and keeping a reserve somehow or other by destroying the middle class ryot is the policy of the man in the fable who cut the goose that laid the golden eggs, I may admit that the proverb applies in a way though not exactly. The policy of the Government is like that and nothing else.

“Then, Sir, coming to some of the specific grievances of my district without ventilating which I do not like to resume my seat, in the first place, we have got our forest grievances. Our ryot is suffering from the recent withdrawal of the privileges which had been enjoyed in South Kanara . . .”

* The Hon. the PRESIDENT:—“The hon. Member has already exceeded his time limit.”

Mr. U. C. SUBRAHMANYA BHATT:—“Just two minutes, Sir. In a great measure this grievance is due to the fact that there is no co-ordination between the Revenue Department and the Forest Department. The Revenue Department thinks that it is not its concern to interfere in forest matters. All that the Revenue Department is concerned with is to get its revenue. But I must say, Sir, that the Government as a whole must view this question. The forest grievances of the people directly affect their economic capacity and their agriculture on which ultimately their prosperity and their capacity to pay the taxes depend. Times without number from platform after platform the ryots and the public of South Kanara have been agitating and pressing upon the Government the need to be considerate and to give these privileges which the ryots of South Kanara had been enjoying from time immemorial. Then again, Sir, we in this Council have been trying our best to press upon the Government this question on the Government but the Government does not seem to have done anything in the matter. It seems to be adamant. No doubt lately we had an assurance from the Hon. the Law Member that he would reconsider the matter and that he sent the representations to the local authorities for their report and opinion. In this connexion, I would appeal to the Hon. the Law Member to see his way to reinstate the old order and give the concessions which he has lately withdrawn as this withdrawal has affected the agriculturist adversely.

“Then again, Sir, South Kanara is a land where forests have been grown up, where fresh reserve forests are being added going right up to the coast, so much so that wild animals have been molesting the people not only destroying the crops but also proving a menace to

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domestic animals and human beings. We have been very often hearing of how wild animals like tigers and panthers are lifting away the cattle and also molesting the inhabitants. This year we find that the Collector of South Kanara has been following a policy of even cancelling the few licences which had been given to the people. I was told on enquiry that because the licence-holders did not purchase any fresh gun-powder, shots, bullets or other things, the licences have been withdrawn. Because it was thought by the Collector that in the case of persons having these things which were not used in India, licences should not be renewed. This attitude does not take note of the fact that there might have been powder, bullets and other materials which had been purchased in the previous year. It also does not take note of the fact that in some cases the powder purchased is also made locally. These two things have not been taken note of in the policy of refusing licences to those people who have purchased these things in the current year. Such being the case, the policy which has been adopted is thoroughly wrong and is to be revised. I appeal to the Hon. the Home Member to see that these licences which have been withheld for no cause except this, are given back to the people. (A voice: 'You say you are non-violent.') Quite so. In this connexion I would also say that the Government has formed a society for the protection of wild life. I may say, Sir, that in our district if licences are not renewed we will shortly have to start a society for the protection of human beings against these wild animals."

* Mr. P. V. KRISHNAYYA CHoudari:—"Mr. President, Sir, to-day the ryot's condition is becoming much worse than it was last year. Now I am not anxious even to demand land revenue remission in case the Government comes forward with other relief to the ryot. We are not anxious that the paltry sum of $12\frac{1}{2}$ per cent or $9\frac{1}{2}$ should be sanctioned. If it is given to the ryot he will not be in any way materially much benefited, because we are not anxious to make any agitation either outside the Council or inside the Council on some pretext or other for vote-catching purposes. I wish that the Hon. Members on the Reserved Benches should not think that we are making agitation for agitation's sake. But the agitation is partly due to the actions of the Treasury Bench itself. Two or three months back I brought to the notice of the Hon. the Minister in charge of Industries that foreign rice is being imported into our province; but he has not taken any action and said that the Government of India should be addressed to see that tariff walls are raised against fresh imports of rice into this province. Yesterday we saw in the columns of the Press that 21,000 bags of rice is being imported from Siam. The Hon. the Minister said that as only 50 tons were imported from Burma it would not require any protection. At that time it might not have required any protection, but now 21,000 bags are imported and the province certainly requires protection.

"Similarly, about the export of rice to the Nizam's Dominions, etc., when I brought the matter to the notice of this House, another

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Minister said he addressed a reference to the Nizam's Government and added that it involved the revision of treaties and so on. When I again asked after some time why that Minister had not taken action, he said 'Want of notice' or something like that. On account of such evasive replies of the Hon. Members on the Treasury Bench we have to ask repeated questions and raise the matter by motions. If Members on this side are making any agitation, it is merely because the Members in charge have not taken any steps to improve the condition of the ryot. Last year in the course of the Budget discussions, they said that they appointed a marketing officer to facilitate marketing of rice and paddy. But what is the net result? An officer was sent to Tanjore district to investigate into the matter. There are several districts producing rice in this Presidency, but no action has been taken by this marketing officer to arrange for any facilities for them. Even with regard to railway concessions, etc., they have not taken any steps in that direction also so far as the Madras and Southern Mahratta Railway is concerned. Simply because they have arranged for facilities from Tanjore on the South Indian Railway that won't help others on the Madras and Southern Mahratta Railway line."

* The Hon. the PRESIDENT:—"The hon. Member will continue his speech after lunch."

The House will now adjourn and reassemble at 3 p.m.

After Lunch—(3 p.m.)

* Mr. P. V. KRISHNAYYA CHOUDARI:—"Mr. President, Sir, what I want to impress upon the Government Members is that they should improve the marketing facilities more for the benefit of the ryots. Then, I do not think any ryot will demand any remission. As a matter of fact, if the Government were to utilize the 60 lakhs that they have granted by way of remission to relieve the difficulty of the ryots of the Madras Presidency by way of bounties, I think that would be a considerable help. If the Government had restricted the crops in the permanent wet land areas in the Presidency and if after investigation they had suggested that the ryots could grow any other crop in their wet land or if they had grown other crops such as maize, barley, or any other oil-seeds which are exportable to other countries, they would be given some remuneration, then it would have been a different thing. Last year, the Finance Member in his speech has said that they had given some relief to the ryot population by way of toll-gates. Again this year another Member is introducing tolls probably within a fortnight. This is another taxation on the ryots. I am glad the Hon. the Finance Member is very sympathetic about the non-agriculturist ryots. But the toll system will hit the non-agricultural ryots also because there are several labourers who are carting for hire and living on that. If the tolls are going to be reimposed, it will hit them besides the agriculturists. Already, the ryot is feeling for the low prices. The price of paddy at the present day is Rs. 1-14-0

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per bag in my district. But that is due partly to God's wish also because we had unseasonal rains. On account of that, several ryots are suffering. Government must improve the marketing facilities. If this is done, I do not think any ryot will be anxious to fight for remission. Another thing to which I want to refer is that our Presidency produces about 63 and odd lakhs of tons of rice which is very large. In the whole of India, Bengal produces 75 lakhs of tons and Madras coming next produces much more than any other part of India. In these circumstances it is desirable that an association of paddy growers on the lines of Tea Growers' Association, which has been organized and which has statutory powers, is formed, and is approved and given some subsidies by Government. I think we may then be in a position to improve the marketing facilities and give practical suggestions on behalf of the paddy-growers to the Government of Madras. If they are reasonable, the Government can adopt them. If they will do this, I do not think any ryot will ask for any remission. In the absence of these things, the ryot is compelled to ask for remission because he has no other go. Any small benefit to the ryot is better than nothing. On one side the Government is increasing more irrigation projects. Already we have got more paddy growing all over the Presidency. In this case, the business of the Government is to see that they exclude the paddy crop in the new projects, and introduce other crops for the benefit of the ryots because there is no use increasing the production of the same paddy as the price will go down and the Government will have to give more remissions. Out of the 30 lakhs of ayacut that we have under the paddy crop, if the Government would give some benefit to the ryot, who may try new crops by offering some remuneration, certainly the production of paddy will decrease and its price will also increase. He will also be supplying other necessary materials in the country. We have got many indirect taxations on the ryots. We have the system of detective police officers. Suppose the same people are employed to conduct enquiries about the subordinate officers of Government, there will be some sort of relief. The Frontier Government has appointed a committee to investigate into the corruption in public services by people who are abusing their powers. There are many indirect taxes which have to be paid by way of supplies and if the Government will employ a special staff to enquire into this matter in respect of the various departments, it will be a great help to the ryot. Government are having their own informants to give information to them on political matters. Similarly, every officer in the Presidency can be enabled to give some information and this may be placed before the Services Commission. For example, in a particular village because the people have not given the *mamul* of Rs. 400 to the Public Works department they let more water into the channels and thereby the water which was in the fields was not allowed to go out into the canals. This is all indirect taxation. To avoid all these indirect taxations, it is better that we have some informants as this will be more helpful in the interests of the ryots."

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* The Hon. the PRESIDENT:—"The hon. Member's time is up."

* Mr. P. V. KRISHNAYYA CHOUDARI:—"Two minutes more, Sir. I want to suggest one thing about the Medical department. In the cadre of district health officers people with very good qualifications are appointed. They are prohibited from having any private practice. They have to depend upon their salaries, and I do not see why the civil surgeons who are getting better pay are allowed to have their private practice. On account of such private practice, there is a lot of scope to abuse powers in various manners. Why the civil surgeons should be allowed to continue to practise, I am not able to understand. If you want to maintain efficient administration, I think it is desirable that you should not permit all the civil surgeons, leave alone the subordinate servants, but civil surgeons in the General Hospital and elsewhere to have private practice. That does not mean that we are not going to have efficient men. The district health officers are very highly qualified people with foreign degrees. So I request the Government to consider this matter. About the salaries cut, what I wanted to say is that as the Hon. the Finance Member suggested that there is no other way by which Government could give relief, I suggested that the salary cut should be resorted to. In every other province, they were having recourse to this, and that is the very reason why I wanted the Madras Government should also adopt it. When I moved that motion that does not mean I was in favour of remission. If these things are done, the ryot will be helped much more than by remission."

3-15
p.m.

* Mr. ABDUL HAMEED KHAN:—"Sir, we have had a succession of speakers on this year's Budget who referred to the two very important questions now agitating the minds of not only the hon. Members of this House but also of the people at large. Before I make a detailed criticism of the Budget, I should like to say this that this Budget can be characterized as a very conservative Budget. The Hon. the Finance Member, as his predecessors, has been following a certain routine and this Government have not stopped to ascertain if, in cases of emergency, when the ordinary sources of revenue fail, new sources of revenue exist. The Finance Member had these items of revenue all these years and he has this year found certain figures in his own way to fill up the blanks. I thought the British people had the reputation of being always prepared for far-reaching changes in times of emergency. Whether that is so or not, when they come to this country, on questions of finance, they acquire the reputation of conservatives and tend to become more conservative than Indians who are said to be conservatives. Instead of, as I said, seeking to find new sources of revenue which will not affect the people directly in the matter of taxes, they have laid the burden much more heavily on the same people over and over again. Take for instance the case of the agriculturists. These people are made to pay any number of other taxes in addition to land-tax. On the other hand, there are many people who do not contribute anything to the State except income-tax. Sir, this is not

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distributing the burden of taxation evenly. The proper thing to do would be to distribute the levy of taxes on all people equitably. The present system under which we are working with its limitations on the non-officials in the matter of financial questions makes us think that no good purpose will be served by our getting up from our seats and making remarks year after year. We have no responsibility given to us. On the other hand, Hon. Members of the Government have got the power to do as they like with the finances of this province. We can, of course, move cut motions and make criticisms at this stage. But our view will not be accepted in matters relating to the reduction or the increase of the items of taxes as long as we are in this condition. Therefore it is that I say that no useful purpose will be served by our making remarks on the Budget. However, as it has been customary to offer these remarks, and in the hope that the Hon. Members of Government would take note of our suggestions and revise their opinions on matters vitally affecting the people, we are making these remarks.

“ My hon. Friend, Mr. Shetty, referred in his speech to the indifference of the Government towards improving the economic condition of the people. Of course, he will be told that ours being a subordinate Government, it can only control the finances of the province in order to meet the expenditure to which it has committed itself and that large policies of tariff and other things are not our concern. In spite of these limitations, it seems to me, Sir, that even a Provincial Government can devise ways and means for improving the economic condition of the people committed to its charge.

“ We are having the Industries department for a very long time and this Government has been spending large sums of money on it. We have also got the State Aid to Industries Act on paper. I daresay that it has been there only to persuade the people to believe that the Government are anxious and sincerely desire to improve the industries of this province. During all these years, it has done nothing to justify its existence. It will satisfy none who makes a survey of the industrial position of our province to see the improvements that have been effected in our industries during the last 10 or 12 years since the subject was transferred to responsible Ministers or since the passing of the State Aid to Industries Act. The department has done nothing to enable our industries to compete successfully with the Japanese products or the British products or the German products which have been flooding our markets and ruining our industries.

“ My hon. Friend, Mr. Natesa Mudaliyar, referred in detail to the question of unemployment. Not only skilled labour that is unemployed, but educated young men in hundreds are unemployed. The Government of this province has not moved its little finger to tackle this vital problem which has become very acute. The disastrous effects of long unemployment have been acutely felt in other provinces and it is really providential that our province has not been affected in the same way.

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If any disaster results from this unsolved problem of ever-increasing unemployment, nobody except the Government would be responsible therefor. They have done nothing and they have taken no steps to find ways and means for opening works where the unemployed can be provided with work.

"On the question of excise, I see that the Government have not fulfilled the promise made by the Ministers in charge of this portfolio to bring about total prohibition within a certain number of years. I see in the Budget, no sign of the Minister making attempts to meet the shortage in excise revenue consequent on the steps taken to bring about total prohibition. He is, therefore, taking no such step towards fulfilling his promise.

"The Hon. the Finance Member referred in detail about 14 or 15 times in the course of his speech to the land revenue concession which the Government have granted to the agriculturists. He has made, I think, a little too much of the concession the Government has given. I think that was his strong point to meet any possible cut motion that may be brought forward and strongly supported in this House. But, Sir, I am afraid he is mistaken if he thinks that he has succeeded in making hon. Members representing the districts refrain from agitating this question over and over again. This question is one which affects a very large class of people in this province.

"The other question that looms large on the horizon this year and to which the Hon. the Finance Member devoted a good portion of his speech relates to the cut in the salaries. Sir, he has stated that there was no possibility of the Government considering any imposition of cut in salaries this year, on account of the fact that the Government find that the finances of the province have reached a state when it would be quite wrong to re-impose the cut. Sir, my view is that our Government have become very conservative and that is the reason why they do not want to make any change to meet extraordinary situations.

"They want to maintain the *status quo* with regard to financial Budget, and they do not want to meet the extraordinary situation by extraordinary methods. We know, although the Hon. the Finance Member can show to us, that he has been able to balance the Budget, I am afraid he has been able to do so only at the cost of the really useful nation-building departments, by putting off Part II Schemes of vital and urgent importance. Sir, that is not the correct way of balancing the Budget. I am afraid it is a very artificial way of doing it, as it does not help the people, for whose benefit it exists.

"The two or three ways by which the Government could have met the present situation are by a re-imposition of the salary cut in a graded scale and by resorting to real and substantial retrenchment, i.e., by removing unnecessary officers, of whom there are several in the departments of the Government.

"In conclusion, I would say this: it is the democratic institutions of the future reformed Government that are going to cost us much

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more than the present system, and so unless the Government of to-day is in a position to devise ways and means of its revenue by other means that at present exist, as has been anticipated by the Hon. the Finance Member, I am afraid the future Government would not be able to carry on administration smoothly and to the interests of the governed."

Rao Sahib Pandit GANALA RAMAMURTI spoke in Telugu, and the following is the English rendering of the same. 3-30 p.m.

" Mr. President, Sir, I congratulate the Hon. Sir H. G. Stokes, the Finance Member, for presenting a balanced Budget this year also. It is praiseworthy to note that, while all other Provincial Governments and the Central Government are facing deficit Budgets, the Madras Government, due to the credit of our Finance Member, have the unique privilege of presenting a balanced Budget without fresh taxation in these days of world-wide depression. I submit, Sir, that it is a matter of immense satisfaction that, ever since he took charge of the Finance portfolio, he has been able to present to this House surplus Budgets only.

" In accordance with the idea contained in the following stanza in Raghu Vamsam of the famous poet Kalidasa: 'ప్రజానామేవ ధర్మక్షయం సహ తాభ్యః బలిమగ్రహీత్, సహస్రగుణముక్తుక్షం ఆదలేహీరసంరహం' and taking advantage of the general discussion of the Budget, I should like to suggest a few points for the consideration of the Government, with regard to the welfare of the Viswabrahmana community of this Presidency. Sir, I submit that the Local Government may, by notification in the *Fort St. George Gazette* under section 2 (3) (b) of the Indian Factories Act, declare to be factories, all private petty workshops in this Presidency where work is also carried on in iron, steel, brass, bronze, bell-metal, copper, zinc, tin, aluminium, timber, ivory, stone-carving, engineering, mounting of precious stones, silver, gold and other metals, and in which not less than ten persons are simultaneously employed in any one day in a year, as seasonal factories, e.g., using no power but employing substantial number of workers. I urge that the provisions of the Indian Trade Unions Act, Trade Disputes Act and Workmen's Compensation Act should also be made applicable to these workshops. It is needless for me to say that, unless the Local Government be pleased to recommend to the Government of India that sections of the Indian Penal Code, viz., breach of trust and contract be made inoperative in so far as they apply to these artisan's workshops, the present condition of the home industries will not become prosperous. In reply to the motion of my hon. Friend, Mr. H. M. Jagannatham, that the Artisan's Bill be referred to a Select Committee, the Hon. the Home Member was pleased to say on 31st October 1932 that the Government would consider the question of bringing these workshops under the rules of the Indian Factories Act. But I am sorry to say that nothing has been done till now in this direction. I beg to bring to the notice of the Government that legislation may be immediately introduced with the object of providing adequate representation to the members of my community in the local boards, municipalities and village panchayats within the scope of 'reservation of

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seats.' The Government may also be pleased to ascertain the extent of tyranny caused by the existing system of cast headmen, how the community is put to hardships thereby and to take steps to stop the continuance thereof by legislation, if necessary.

"The next item to which I have the honour to refer is about the question of preferential treatment to Viswabrahmans in respect of certain concessions. A resolution to that effect was drafted and balloted and included in the Agenda for 1st February 1934 in the name of my hon. Friend, Ahmed Miran Sahib Bahadur. The text of the said resolution reads thus that—

'This Council recommends to the Government that the Viswabrahmans of this Presidency should be given preferential treatment without including the name of their community either in the list of Depressed Classes or in the list of scheduled castes—

- (1) in respect of direct recruitment to appointments in public services;
- (2) in respect of age limit enabling them (a) to appear for the Services Commission examinations till the age of 28 years; and (b) to join public services till the age of 30 years;
- (3) in respect of educational facilities, such as award of scholarships for technical studies through the Industrial department;
- (4) in respect of grant of waste lands and house-sites on ordinary darkhast rules; and
- (5) in respect of the extension to this community also of the ameliorative work now being carried on by the Labour department, funds being provided separately, immediately after the finances of the Government improve, till such time as there is perceptible progress in the status of the community; and

that this resolution should be given effect to only in the case of those members of the said community as would express their desire in writing therefor.'

"But, as the proposer of the aforesaid resolution did not move the same, there was no chance for the various grievances of the members of my community being brought for the kind consideration of this House. Sir, the resolution requires a little explanation. The main object of the said motion is to raise the age limit of the candidates belonging to the community who appear for the Services Commission examinations and who join public services and to provide them with facilities for direct recruitment for higher cadres in services and to accord them preferential treatment in regard to appointments and promotions. It also seeks the help of the Government in respect of grant of waste lands and house-sites to the members of the community on ordinary darkhast rules. It urges the Government to afford to them educational concessions and arrange for ameliorative work for them through the Labour department, which privileges are now being enjoyed by the Depressed Classes. After all, this is a permissive resolution. The hon. Members of the House are aware that I had made reference to the subject-matter of the present resolution by way of cut motions to Demand X in the Budget for 1932-33 on the 15th March 1932 and to Demands VIII and X in the Budget for 1933-34 on the 16th March 1933. But as the House is equally aware that the Hon. the Revenue Member did not make any favourable statement in answer to my request, I was compelled to bring in the subject in the form of the said resolution with a view to get some concessions to my community.

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"Then, Sir, as regards the classification of communities under the Depressed Classes and backward communities, a list of which was laid on the table by the Hon. the Revenue Member on the 24th February 1932, I would like to invite the attention of the House to the fact that many 'savarna' communities among the Hindus, find a place in the list of the Depressed Classes along with Harijans who are also called 'Avarnas.' For instance, *Savarna* communities like Kallan, Koravan, Marati and Padayachi are included in the Depressed Classes. Dudekula, Labbi, Mali, Togita communities are included along with my community in backward communities under 'castes other than the Depressed Classes.' Though Ganika and Kalavantula is one and the same community I wonder why both should be mentioned as though they are different communities. There are many such errors and this is only by the way, Sir, and this is also evident by the remark of my hon. Friend, Mr. M. Devadasan, that 'it includes not only the untouchables but hundreds of other castes also who claim to be suffering under the same disabilities as the Depressed Classes' in connexion with the debate on the report on the Madras Services Commission for 1931-32 on the 25th January 1933.

"In the proposals on Constitutional Reforms, contained in the 'White Paper' Kadar, Lohar, etc., in Bengal, Hill-Dom or Shilpkar, etc., in the United Provinces, the Khatic, etc., in the Punjab, the Sutradhar, etc., in Assam, were included under the scheduled castes (hitherto known as the Depressed Classes) other than classes as per its Appendix VIII. Thus it would be seen that the criterion with which different communities are classed under the Depressed Classes is not untouchability, as has been adopted by the Indian Franchise Committee, but it is the political and social backwardness of a community.

"The following extracts will speak for themselves that the above-mentioned communities in the 'White Paper' form part and parcel of the Viswabrahmans and I may be allowed to read them for the information of the House.

"The Tribes and Castes of Bengal, by H. R. Risley, Volume II, contains the following at page 22:—

'Lohar:—The blacksmith caste of Behar, Chota Nagpur and Western Bengal. They regard Viswa-Karma as their legendary ancestor and worship him as their tutelary deity for their craft.'

"And again at page 287—

'Sutradhar:—Chputer, the carpenter acste of Bengal, Sutradhars claim descent from Viswa-Karma.'

"Hindu Tribes and Castes as found in Benares by Rev. M. A. Sherring, M.A., LL.B. (Lond.) (1872), has at page 314 the following:—

'Kharadi:—The Kharadi is a turner. The Hindustani word for the turn (by the lathe) is Kharadha.'

"The Tribes and Castes of the North-western Provinces and Oudh by W. Crook, B.A. (1886), Volume III, contains the following at page 372:—

'Lohars trace their origin to Viswa-karma.'

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“Census of India, 1891, General Report by T. A. Baines, F.S.S., reads thus at page 190:

‘The original carpenter caste was the Sutar or Sutradhar but the Barhai from Vardh “to cut” is equally Sanskrit as is Khati. Khatik from either Khatti timber, or Khati—a wooden bed-stand, etc.’

“Census of India, 1911, Baroda, by Rao Bahadur Govinda Bhai H. Desai, B.A., LL.B., Volume XVI, contains the following in its Report, Part I, at page 316:—

‘Sutar:—Carpenters from the Sanskrit word Sutradhar (Sutra, i.e., the thread with which the course of the saw is marked).’

“So much for the inclusion of castes other than untouchables under the Depressed Classes. But the Local Government’s definition of the term ‘Depressed Classes’ as given in answer to my question No. 489 (469) on 28th February 1931 is different from that given in answer to question No. 70 (880) of Mr. P. V. Krishnayya Choudari on 17th March 1933. So the original resolution which had been given notice of previously had been considerably modified into the said resolution.

“Now, Sir, turning to the subject, namely, to urge the Government for the same privileges to the members of the Viswabrahmana community independently, like the so-called Depressed Classes, though the hon. Members of the House are fully aware of the political and social backwardness of my community, I would like to place before them a few facts. Though roughly speaking the Viswabrahmans are twelve lakhs out of a population of four crores in the Madras Presidency according to the census of 1921, they have never been returned in elections to the popular representative bodies even including the local Legislative Council, the Legislative Assembly and the Council of State, what little representation they may be enjoying being only due to the good will of the Government in nominating them to such bodies. Its backwardness in education and representation in services need not be spoken of as only very few members thereof who can be counted on one’s fingers’ ends have been in services, those rising to higher ranks having been limited to not more than half a dozen from the beginning of the benign British Rule in India till now. They fall far short of the representation enjoyed by the so-called untouchables both in representative bodies and services. The social disabilities which my community has been subjected to, are many and varied. When the Hindus were reconverted from Buddhism to Hinduism, my community being the last to reconvert, was made a left-hand caste, while others including the so-called ‘Anthyajnas’ were called the right-hand classes. The social ostracism exercised by the latter against the former was so great that the members of my community were denied the right of going in palanquins on marriage occasions and were not allowed to whitewash their houses, these two being the most prominent among several such restrictions. The reason for this may be their claiming greater privileges over other higher classes. But the fact remains that this community has been suppressed and down-trodden by other communities in the Hindu fold.

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The social persecution had done to such an extent as would make it almost a community outside the Hindus. The extracts given below bear out the statements made above whether or not I agree with all that is said in them. With your permission, Sir, I beg to read the same.

“The tribes and castes of the Central Provinces of India, by R. V. Russel (1913), Volume IV, contains the following in its glossary at page 517:—

‘Sonar bridegrooms were not allowed to use the State umbrella or to ride in palanquin and had to be married at night and in secluded places being subject to restrictions and annoyances from which even Mahars were free. Their *raison-detre* may possibly be found in the fact that the Brahmins all-powerful in the State were jealous of the pretensions of the Sunars and devised those rules as a means of suppressing them.’

“Almost the same state of affairs prevailed in the Madras Presidency also.

“Hindu Law by J. H. Nelson, M.A., has at page 100 the following:—

‘It seems to be tolerably certain that the Panchala (Goldsmiths and other artisans) not only are not orthodox Hindus but from the very earliest times have stood aloof from the general population and managed their own affairs in a strange fashion upon esoteric principles of their own derived from the sacred writings known only to their own Gurus. These principles of Panchala may or may not have been communicated to the other castes that go to make up the “left-hand.” Probably they have not the “right-hand” which is generally supposed to consist of strictly orthodox Sudras. As a matter of fact, its leading members would seem to be Linga worshippers who openly deride Brahmins and the Vedas.’

“Colebrooke says—

‘That the Karma-kara or Blacksmith is classed in the Puranas as one of the polluted tribes.’

“Census of India, 1901, Volume XV, Madras, Part I, Report, contains the following at page 159:—

‘Kammalan—There can be no doubt that the Kammalan’s claim is of comparatively recent origin. The inscriptions of 1030 A.D., referred to in paragraph 464 of the 1891 Census Report show that at that time they had to live outside the villages in hamlets of their own like Perriyans and other low castes and at a later one since translated (South Indian Inscriptions, Volume III, Part I, page 47) gives an order of one of the Chola Kings that they should be permitted to blow conches and beat drums at their weddings and funerals, to wear sandals and to plaster their houses and shows by implication that these luxuries were previously denied to them.’

“Madras District Gazetteers, Salem, Volume I, reads thus at page 202:—

‘Pariahs look down upon Malas, Holeyas, Madigas and Chucklers and will not dine with them. Being the right-hand faction they appear to bear a special antipathy against Kammalars.’

“Trichinopoly, Volume I, contains the following at page 130:—

‘The Paraiyans and Pallans each treat the other with much scorn. The former will not, however, accept separate meal from Kammalars.’

“In addition to the foregoing, I may be permitted to say that my community has been grouped with Oddes, a Depressed Class, in the Anantapur District Gazetteer at page 32. In an appeal issued by Messrs. V. Ramadoss Pantulu, S. Srinivasa Ayyangar, S. Satyamurti,

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L. A. Govindaraghava Ayyar, A. Rangaswami Ayyangar as Directors and Mr. V. Venkateswara Sastri as Trustee on behalf of the National Fund and Industrial Association, Madras (established in 1906) the artisan classes of which my community is one were grouped among the Depressed Classes.

“ Further, the Local Government have included my community under backward classes in the Educational Rules, but have included it among non-Brahmans for purposes of appointments as per their memorandum No. 1314-7, Public (Services), dated the 27th April 1931. The village blacksmith, the carpenter and the shroff who are a part and parcel of my community are classified as village menials in section 3 (4) of the Madras Hereditary Village Officers Act III of 1895. M.R.Ry. Rao Bahadur Pokala Govinda Rao Nayudu Garu, B.A., B.L., Chairman of the Rajahmundry Municipality, suggested to the Government in 1931, that the name of the Viswabrahmana community may be added to the list of the Depressed Classes in connexion with the Local Bodies Amending Bills.

“ Then again, Sir, as regards the economic status of my community, I need not say much, for the hon. Members know that it is an industrial community scattered throughout the country, hardly making a living even during the prosperous days of the country. Nothing need be said about its sufferings during times of famine and trade depression. The condition of the bulk of the community which follows goldsmithy, is deplorable in times like the present when gold worth crores of rupees is exported to foreign countries as a result of the exchange policy of the Government. ‘ The true epic of our times is not arms and the man, but tools and the man ’ says Carlyle. So the prosperity of the country depends upon the development of its industries both cottage and others. In the words of Count Leo Tolstoy ‘ Science and Art are as closely bound together as the lungs and the heart so that if one is vitiated the other cannot act rightly.’

“ Now, Sir, the following may be read with interest. Census of India, 1931, Volume XXVIII, Travancore, Part I, Report by Mr. Kunjan Pillai, contains the following at page 365. Under the heading ‘ Classifying population by occupation ’ the learned author observed that—

‘ they know that the Census Report is the record on which Government bases its future policy of social and political development and in such a record they meant the strength and position of each caste which forms a social unit to be correctly recorded. Castes following the same occupation are found in different stages of advancement. Some are educationally very backward and have not had their due share of representation in Government service and democratic institutions. If they are classed with the more advanced castes who occupy a position of vantage simply on the ground of their following the same occupation, their interests will surely suffer and in the struggle for existence they may even be stamped out of existence. Such an apprehension does exist in the minds of the backward and depressed classes. It will vanish only when the people as a whole have been sufficiently educated to be able to forget their caste feelings and subordinate individual and communal interests to national welfare. Such a happy time has not yet come. Caste feelings are still rampant in spite of the stray streaks of social reform visible in some sections of society.’

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“ So, Sir, the Government would do well to see that such a community as mine, the backbone of the country, does not go into extinction, by means of granting to the members thereof, waste lands and house-sites on ordinary darkhast rules, providing educational facilities and extending the ameliorative work to them through the Labour Department. After all, this is a moderate and a reasonable request. If this be not done by Government, cottage industries will not thrive. It is also necessary for the amendment of the rule relating to the minimum general educational qualifications for Brahmans and non-Brahman Hindus and a lower standard of qualification for candidates belonging to other communities as stated in the Report of the Madras Services Commission for the year 1932-33, page 7 (a) and to bestow the same privileges upon the Viswa-Brahmana community independently, like the so-called depressed classes. For this reason the leaders of my community are carrying on an agitation to urge the Government for all the concessions adumbrated in the said resolution there being no alternative left to the community to receive the aid of the Government.

“ The seventeenth session of the Andhra Provincial Viswa-Brahmana Conference which was convened under the auspices of the All-India Viswa-Karman Liberal Federation at Tenali, Guntur district, on 21st and 22nd October 1933 under the distinguished presidency of Brahma Sri Andhra Vidya Vachaspati Satavadhani Kommuru Sangameshwara Kavi Garu, Editor of ‘ Sri Viswa-Karma ’ of Rajam, Vizagapatam district, to consider specially this question, whole-heartedly endorsed the said resolution. It would thus be clear that my community stands by the said resolution.

“ Before I conclude my speech, I would like to clear one point, that is, that I would never be a party to claim for my community any privileges, concessions and funds granted to and set apart for the Depressed Classes. But all that I want is that similar privileges may be accorded by the Government to my community. I would therefore request the Hon. the Member for Revenue to grant these concessions and help my community which is a loyal and law-abiding one in its struggle for existence, with a view to do justice to every community.

“ Lastly, I would appeal to the Hon. Members of the Treasury Bench to be pleased to show grace and thus save my ancient and important industrial community in its hour of trial.

“ With these words, Sir, I beg to resume my seat.”

* Mr. P. PEDDI RAJU:—“ Mr. President, Sir, of course, I must 3-45
thank the Hon. the Finance Member for the lucid way in which he has p.m.
presented the Budget. But I cannot congratulate him or the Government for the way in which they have treated the public in general. The Budget is intended to show how the taxes can be levied and how the money is to be spent. I think the duty of the Government is always to look after the interests of the public, i.e., generally the masses. Government ought to know first whether the people would be able to pay the taxes before they levy them. The main principle of taxation is one

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of capacity of the people to pay and not one where the Government can realize money as much as possible. I am sorry to observe that the whole Budget looks as if the purpose of Government is one of tax-gathering only and not one of administering to the needs of the subjects. The policy of the Government has led to economic decay and depression in the country. I think it is political considerations that have prevailed more in framing the Budget rather than the economic needs of the Province. The Hon. the Finance Member has clothed the Budget with these thoughts, and naturally it has given rise to a feeling of disappointment in the minds of the population of this Province. For instance, referring to the remarks made by some hon. Members of this House in regard to the land revenue remission at page 9 of his speech he says thus:

'Sir, I am afraid, rhetorical exuberance of this sort is not going to get us very far, nor is it very helpful to the Government in discharging its duties in these difficult times.'

I think, Sir, the very same expression applies to the Government. It is really rhetorical exuberance that is exhibited in the Budget, and not the real interests of the people. For instance, it is trotted out always that we are on the eve of Reforms and that Provincial Autonomy, is coming and so we must see that the future Ministers are not hampered by want of funds. The question at present is not one of revenue resources of the Government of the future, but one, whether the people of the Province can bear the burden of taxation at the present stage. Whatever Provincial Autonomy may bring, I think the contentment and the prosperity of the people should be the concern of the future Government, and so the subject, whether Provincial Autonomy comes, or when it comes, is not the matter that is occupying the attention of the people at large to-day.

"Sir, to-day, it is admitted by the Government, the Members of this House and, in short, by everybody that the economic condition of the ryot is very distressing, and so in order to relieve this distress, I want to know what steps the Government have taken. From the Budget, it appears that does not seem to be the concern of the Government.

"In paragraph 25, the Hon. the Finance Member says—

'And leaving the agricultural voter, what shall be said of the masses of the poor, whose needs are so pressing and so obvious—the landless labourer, the small shop-keeper and the rest?'

I do not know whether Government have realized that in this Province most of the population is rural population, and that even according to Government statistics, 75 per cent of the population live by agriculture, that is, they pay taxes to Government; and we also find from the Budget that nearly half the revenue of the Government comes from land-tax. So the real question is, are you going to take care of the 70 per cent of the population or the landless labourer, the small shop-keeper and the rest? And what has the Government done even for the landless labourer, the small shop-keeper and the rest? I don't find anything in the Budget even for them. If you improve the condition of the ryot you will be automatically improving the condition of the landless labourer, the

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small shop-keeper and the rest. I think the ryot is the mainstay of the Government as well as the mainstay of all other professions. And so the solicitude of Government in saying that they have a soft corner in their heart for the landless labourer, the small shop-keeper and the rest seems to be beside the point.

“ In another portion, the Hon. the Finance Member has stated that the ordinary poor ryot realizes that remission does not give him much benefit but that he has begun to realize the advantage in having more village roads, water-supply and things of that sort. I am sorry to find in the Budget that the Government have not made any headway even with regard to these items. So far as the needs of the rural population are concerned, they have not been looked after. More than that, provision for water-supply has been cut short considerably. I find from the papers supplied to-day that while the proposal of the department concerned was for an allotment of 5 to 7 lakhs of rupees, the Government were able to give only $1\frac{1}{2}$ lakhs. The same is the case with regard to education and village roads. The usual grants have been cut down. I do not know what the Government have done in the matter of improvement of any of these amenities so far as villages are concerned. I find that Government have got more solicitude for the welfare of the urban population. They spend more money on Part I and Part II Schemes for the urban population and not for the rural population. Of course sentiments have been expressed in paragraph 25 on page 10 of the Budget speech. They are very laudable but I find they are not translated into action.

“ The other point is that a remission of $12\frac{1}{2}$ or $18\frac{3}{4}$ per cent will not go much to benefit the poor ryot. I think the Hon. the Finance Member does not realize the actual benefit that the poor ryot will get by a saving of annas 2 rather than a rich man will get by a saving of Rs. 200. The Hon. the Finance Member, while arguing this case, said that he cannot think of reducing the salaries of the highly paid officials. If the Government servants cannot go on working with a cut of 5 per cent or 10 per cent in their salaries, I do not know how the poor ryot who is not able to get more than Rs. 10 will be satisfied with a reduction of Rs. 1-8-0 or so in their taxes. I hope the Hon. the Finance Member will realize the justice of my argument. Supposing his peon who is paid about Rs. 10 or so is paid annas 2 as baksheesh, he will be immensely pleased, and he will go on working contentedly, whereas if an official is paid even Rs. 10 more he will not be satisfied. In like manner, if the poor ryot is given even a small reduction, he will really be pleased because it will give him food for four days in the year. I submit that that argument of the Hon. the Finance Member is not correct.

“ The other portion of the arguments of the Hon. the Finance Member in paragraph 24 refers to the action of the Government in looking after Irrigation Works. He says—
and not a great deal more can be done without crippling the administration,”

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I put it to the Hon. the Finance Member as well as the Hon. the Revenue Member if anything has been done to improve the existing irrigation works. They are more concerned with productive irrigation works. They have not spent a pie for protective irrigation works. I will quote one instance. Take the West Godavari district. In the western delta of the Godavari district, the ryots have been complaining for the last 25 years about the lack of improvement of drains. The usual answer was that they improved the Yenamadurru drain at a cost of 15 lakhs from 1909 onwards. They are concerned only with one drain and that drain has been classified as productive drainage work. I ask the Hon. the Revenue Member if, in spite of the many representations that have been made during the last 25 years, at least one lakh has been spent for the improvement of other drains. I ask the Hon. the Revenue Member whether during his recent visit, representations were not made complaining about the non-improvement of other drains. There is a drain called Nakkala drain in Narasapur taluk and it has devastated the crops to the extent of 3 lakhs of rupees. As a matter of fact, full remission was granted for about 8,000 acres this year. I have got other drains in the delta which require improvement such as the Gouteru drain and Bhageswaram drain. These are matters which have been talked over and over in this Council and not a pie has been spent over these drains. I find no provision is made in the Budget, except Rs. 1,000 or Rs. 2,000 here and there for this purpose. So you will find that portion of the argument of the Hon. the Finance Member is not sound. Of course, Government may say that they are going to take up new schemes and such schemes will be beneficial to the people. My question is whether you want to benefit the man who is paying the tax or somebody else? My submission is that the arguments of the Hon. the Finance Member with regard to land revenue concessions are not sound and do not appeal to the ryots concerned. Of course, the Government realize that prices have fallen and the ryot is unable to pay. While such being the case, I do not know how the Government want to collect more taxes and then pay their top-heavy administration. I appeal to the Government to see whether they want a contented and prosperous ryot or a discontented ryot. His argument that the concessions will not go much to benefit the ryots is not at all convincing. If the Government take it into their head to do something for the ryots, it will be a great relief for them. So the Hon. the Finance Member's speech, so far as land revenue concessions are concerned, does not go to meet the wishes of this House. He has made a speech and made it impressive by clothing it with policies. I want the Members of this House to understand that this will not serve the purpose for which it is intended. The Hon. the Finance Member has referred to the depletion of provincial balances, but if you will refer to the Budget Memorandum you will find that the depletion is not due to present expenditure but it is due to the undertaking of several other capital works. Instead of borrowing the money for these capital works they have utilized from their revenue balances. For instance the Cauvery-Mettur Project was being financed from loan funds. From last

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year what they are doing is they are utilizing the funds from provincial balances and their reason is that they will get 5 per cent instead of 4 per cent which they would get if they invested their balances with the Government of India. So practically it is no depletion of provincial balances. You will find from the Budget Memorandum presented to us that a good deal of money has been spent on several other capital works other than Cauvery-Mettur Project and the conditions of this Province are very much better off than they were previously. On page 75 of the Budget Memorandum it is stated that the net liability of the Madras Government on the 31st March 1935 is expected to be 1,151.50 lakhs. It is arrived at by showing that the amount owed by this Government to the Provincial Loans Fund is Rs. 1,638.30 lakhs and the amount owed to this Government by local bodies and others is Rs. 486.80 and therefore the net liability is Rs. 1,151.50 lakhs. Against this liability Rs. 890.77 lakhs cannot be discharged because it is a debt incurred for irrigation works other than the Cauvery-Mettur Project. After all, Sir, you have got so many capital works to our credit, viz., the Hydro-Electric works and the Cauvery-Mettur Project which was constructed at a cost of more than 7 crores of rupees. The real debt, taking into account that 890.77 lakhs spent on irrigation projects in pre-reform days, is only 2 crores of rupees. So the financial condition of this Province is very much better off to-day than it was previously and there is really no harm in giving relief to the ryot if you really want a contented peasantry.

“Then the other argument was that if the prices were reduced the taxes need not necessarily be reduced, because at the time of resettlement or settlement the Government took into consideration the fluctuation in prices and other things. I ask this Council and the Hon. the Finance Member to consider this aspect of the matter. When prices had risen the Government came forward before this Council and asked it to vote for higher salaries. So, is it not a pledge on the part of the Government to see that the salaries are reduced when prices have fallen? It is on account of emergency that stamp duties, court-fees and registration fees were all increased in 1922-23? Now that the Government are having balanced budgets, I ask why they should not reduce those duties? So far as the reduction of salary is concerned, I think the Government are wrong in refusing to effect a cut in salaries. For instance, take the other case: the new scale of salaries will satisfy new entrants to the services. Should not the existing incumbents be satisfied even if their salaries are cut to a certain extent? I do not mean to say that their salaries should be permanently curtailed. If the economic condition of the people is so very bad and if the Government servants do not come to their rescue by taking lesser salaries, I do not know what other thing the Government can do for them. Take the case of other Provinces. They have got a warm corner for the general public even when they have got a deficit Budget. But in a Province like ours where the prices of staple food crops have fallen considerably and where we have not got any industrial crops, the Government do not take care of the ryots. In

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other Provinces such as Bombay where there is cotton for which the Government of India got some advantages by their recent agreement, that Government has been so very solicitous of the peasant as to reduce the taxation. I would appeal to this Government also not to be conservative but to be liberal."

* The Hon. the DEPUTY PRESIDENT:—"The Hon. Member has exceeded the time limit."

* Mr. P. PEDDI RAJU:—"Only one minute more, Sir. My hon. Friend, Mr. Ramalingam Chettiyar has referred to rural reconstruction and conciliation of debts. So far as these two matters are concerned, the Government have not taken any steps and it is high time that Government either by the appointment of conciliation boards or other methods, take steps to see that rural indebtedness is cleared off. When the other Governments have taken the necessary steps in this connexion, our Government also should realize the gravity of the situation and come to the relief of the ryots."

"Apart from the general observations I have just now made, I want to make a few remarks concerning my own district. I would address those remarks to the Hon. the Revenue Member. I want to draw his attention to the fact that there is a minor irrigation tank in Makimavarugudem for which an estimate was prepared and the necessary allotment of money made even in 1923. That work has been going on for the last eleven years and this year again we find some provision for it. I think the whole fault lies with the department. So far as the Godavari Delta System is concerned, under Irrigation demand 13-B maintenance and repairs, we were able to get some repairs done last year for the branch channels. But I find from the Budget Memorandum this year the usual amounts are reduced. It was Rs. 7,38,000 last year, but it is only Rs. 6,20,000 for the next year. In collecting 25 per cent nazarana some years ago, the Government promised that all channels would be remodelled. But from the Budget Memorandum I find that no provision is made for the remodelling of channels. The Government have also prepared an estimate for lifting shutters for the Godavari anicut amounting to Rs. 1,24,000. About Rs. 2,000 has already been spent last year. I do not find much provision made for the completion of the work. The Revised Budget estimate provides only Rs. 18,000 in the current year and I do not find any provision for the next year. Do the Government want to waste this Rs. 20,000 and not have the shutters at all? I do not know whether they want to give up the work once for all."

"There is one other point which I want to bring to the notice of the Hon. the Revenue Member. I have just now received a letter saying that the Government have published certain draft rules concerning irrigation in the Godavari Western Delta and invited objections from the people concerned. The rules were published in the District Gazette on the 6th instant, but the Gazette has been actually received by the people only yesterday. The letter says that the rules are in English and they

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cover over 100 pages of the Gazette. But the objections are called for before the end of this month. I think it is but right that the Government should give some more time for people to read the rules, understand them and send their objections.

“ There is one other matter with regard to my district. Some years ago, the Government promised to build a headquarter hospital and a site also was actually acquired for the purpose. But no hospital has been constructed, nor is sought to be constructed in the near future. I refer to the Ellore headquarter hospital. Also, Sir, I should like to bring to the notice of the Government that the drainage schemes for Ellore and Palacole municipalities have been pending for a long time.

“ Before I close, with your permission, Mr. Deputy President, I want to refer for a minute to a few important things about certain service rules. There is some agitation about making permanent the temporary servants of the Revenue Department. Some rules were issued by the Government some time back to the effect that in taking new entrants and confirming the existing people, a unit must be taken as one. I understand that the Government have now changed everything and have been passing inconsistent orders from time to time. At one time they say that the temporary hands in the Settlement department should be given preference and at another time they say that the officiating hands in the Revenue Department should be given preference. The temporary men in the Settlement department have entered the department as temporary men knowing full well that they have no chances of being made permanent and that they could be ousted at any time. Therefore the men who have joined the Revenue Department and served there for a number of years should be given preference over these temporary men. Also, I understand that in most cases, the men appointed in the Collectorate are graduates while the men employed in the Settlement department are unqualified men or only S.S.L.Cs. The Board of Revenue is interested in the Settlement department establishment and they have a soft corner for them in their hearts. Therefore they want to confirm the men who have been transferred from the Settlement department to the Revenue Department.

“ Finally, Sir, I appeal to the Government again to view the question of relief to the agriculturists with sympathy. As our Province is mainly agricultural, its prosperity depends on the prosperity of the ryot and the Government should come to his rescue. Of course, I know that the Hon. the Finance Member has said that it is impossible to grant a remission of 25 per cent. But he should see his way to give effect to the recommendations of the Finance Committee as he himself has been a party to it. The Government cannot turn down that recommendation. Although the Government would not give the full remission of 25 per cent, half a loaf is better than no bread, and the people will be grateful to the Government if they will accept the recommendations of the Finance Committee.”

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* Diwan Bahadur S. ELLAPPA CHETTIYAR :—“ Mr. Deputy President, Sir, I have great pleasure in congratulating the Hon. the Finance Member on the Budget which he has presented. It is gratifying to find that, in spite of the slight fall in revenue in a few directions, particularly under Excise, Stamps, Registration, Forest, etc., and the land revenue remission, the Budget is a balanced one, although the general balances have been slightly reduced. It is equally gratifying to note that the Budget as framed does not contemplate any cut in the salaries of services and I am sure that this feature must be most welcome to one and all.

“ From the point of view of a president, district board, it is usual on such occasions to complain that the provisions made in the Budget for grants to be awarded to district boards are not adequate. But this year I have to complain another way, namely, that the scope for utilizing the grants in full, particularly in village communications and well works appears to be very limited hereafter. Under the rules in force, no amount can be spent by a district board on any works until the site has been got vested in the board. The tedious process involve in getting the lands vested in or acquired or alienated in favour of the district boards takes away much of the time in the year and there is hardly any time left for executing the works. There is at the same time, the constant fear that a good portion of the grants might lapse, and that the chances of obtaining adequate grants in the future years will be narrowed down. So there is always an inevitable tendency to proceed with the execution of the work in anticipation of the sites being vested in or alienated in favour of the district board. Sometimes, the process of alienation takes a tedious circuitous course and the payments made in these works are kept pending in the objection statements. On account of the undue delay involved, it often happens that the village roads opened at considerable cost are allowed to become irreparably damaged, as incurring further expenditure on maintenance will only swell the audit objections. The difficulties experienced in opening and maintaining village roads are equally felt while sinking drinking water wells. Unless the Government take early steps to modify the procedure in respect of alienation and acquisition of lands required for local fund purposes it may not be possible to utilize in full the grants for the future years. At any rate, this is the plight of the Salem District Board, and I am afraid conditions are not more favourable in other districts. I request the Government to take steps to remove this difficulty.

“ Such being the case, I do not quarrel with the Government for having reduced the provisions for village communication and water-supply for the next year to just one half of the allotment that was made for the current year, because in view of the unfavourable circumstances prevailing in the matter of getting the lands vested or acquired or alienated, it may not be possible for the district boards to make much headway in this direction. But what I would urge upon the Government is that the provision made for second-class roads being just what it was last year, is quite inadequate. The maintenance of second-class roads is a huge drain on

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the slender resources of the district board. As against a fixed subsidy of Rs. 45,000 given to the Salem District Board, the Board has to spend well nigh 1.5 lakhs on these roads. The inadequacy of the grant has been brought to the notice of the Government on several occasions. Recently the Government announced that the question of revising the policy of granting subsidies for second-class roads was engaging their attention. But from the allotment made in the Budget, it is seen that the Government have not come to a decision in the matter. If this matter is not to be placed on a satisfactory basis even next year, I am at a loss to know when Government propose to come to the rescue of the district boards.

“ Another equally important matter in which the local bodies are hard hit is the grant of subsidies for the maintenance of secondary schools. The system of fixed teaching grants to local bodies decided upon by Government some time ago works as a great hardship on the local bodies as they have to open fresh schools and raise the status of the existing schools according to the growing popular demand, all out of their pocket without looking up to Government for a proportionate increase in the subsidy. This grievance has been represented to Government on several occasions but without any apparent effect. The provisions of eight lakhs for next year which is practically the same as for this year does not encourage one to hope that the policy will be revised next year at least. I wish the Government give this matter adequate consideration.

“ I also wish that Government view sympathetically the demands of the agriculturists of the Salem district, who contribute the lion's share of the revenue. The irrigation tanks are all in a state of disrepair and call for immediate restoration, if the poor ryots are to be kept out of poverty. I further request that the benefit of land revenue remission may be extended to the Salem district also. The rates of fees levied for grazing cattle in village forests have gone up by leaps and bounds, from annas four a head some years ago to annas nine now. In the present economic depression which is experienced mostly by the agriculturists, the reduction of the fees by nearly fifty per cent is an imperative necessity. I trust that the Government will hasten to alleviate the sufferings of the ryots in this direction.

“ The last and the most important matter to which the people of the Salem district have been very anxiously and eagerly looking forward is the supply of water from the Mettur Reservoir to Salem. From the very time the Mettur Project was thought of, up to now, representations have been incessantly made in this Council and also to the various Members of Government who visited Salem and Mettur to the effect that early steps might be taken to take the scheme on hand. And so far, there has been no lack of sympathy on this very vital question. But the so-called sympathetic consideration has not taken shape as I do not find any provision for it in the Budget. In reply to my question in the Council some time ago, the Hon. the Chief Minister stated that the matter was under correspondence with the Municipal Council. I wonder when the correspondence stage will end. I request that Government should try to settle

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this question and start preliminary work during the next year at least so that the work may be taken up in 1935-36 without fail. I once again request Government not to consider this as an unimportant matter as they seem to have been thinking so long."

4-15
p.m.

* Rao Sahib V. I. MUNISWAMI PILLAI:—" Mr. President, Sir, the stability of the finances of the State is the prosperity of the people. One would like to know whether the Budget as presented to this House is one which contributes to the happiness of the people of this Presidency. Of course, there have been very many reasons, not under the control of human beings, that have brought on this Province serious troubles which were responsible for the depletion of the finances of the Province. But taking it as it is, we find that the Budget closes with a surplus balance of Rs. 4.46 lakhs. It goes to show that the equilibrium of the finances of this Province is safe. Reading through the receipts and expenditure and the way in which the various departmental finances have been adjusted, the House can well congratulate the Hon. the Finance Member on the able way in which he has adjusted the finances. As a matter of fact, I know that very many Part II schemes had to be disallowed for want of finance; but one point strikes me most, and that is that the Labour Department has suffered very much. Sir, two years back when the Retrenchment Committee sat, it was found necessary that the head of that department should be retrenched and that a Member of the Board of Revenue should be given the additional charge of looking after the Labour Department. We were told then in this House that this arrangement would be a temporary one and that a regular Labour Commissioner would be appointed after two years. I think, Sir, with the 1st of December 1933 the term mentioned by the Government expired; and yet, going through the Budget, I find that no provision has been made for the re-entertainment of a full-time Labour Commissioner. It is a matter of great disappointment to me and those Members who represent the Depressed Classes, that a department should be worked without a head. If you take into account the various departments that work under the Government, I do not think that such a drastic retrenchment has been made. Moreover, Sir, in former years Rs. 2,25,000 used to be set aside for the purpose of amelioration of the Depressed Classes, such as water-works, sanitation, etc., but to the astonishment of us all, we find that Rs. 1,79,800 only has been provided for this very important work. As you know, Sir, in the country there is a great agitation for the elevation of the Depressed Classes. Yet, we see that necessary provision has not been made to meet the wishes of the public.

" There are three things, Sir, which in the interests of the Depressed Classes have to be referred to. First and foremost, comes Education. I find that the policy pursued by the Hon. the Minister for Education is not conducive to the progress of the Depressed Classes. Taking Primary Education, I find that a new scheme known as the Champion scheme, is being worked, and the Deputy Director of Public Instruction has been sent round to find out the views of the public as to whether the concentration and centralizing of schools as adumbrated in Mr. Champion's report

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can be taken on hand and proceeded with. Without knowing the public view on the matter, the Government have already instructed the Deputy Inspectors of Schools to work the scheme. This is a matter, Sir, which requires to be seriously considered by the Government. During the time when my Hon. Friend Dr. Subbarayan occupied the Treasury Bench, he thought it advisable to have a fusion, in education, of the Depressed Classes with the other communities and that such a step would be in the right direction; but latterly, we find it is not so. Such a step was taken then only as an experimental measure. On serious consideration, we are of opinion that the time for such merging has not come and that education among the Depressed Classes has not advanced so far as to have a scheme as drawn up by Mr. Champion. I know in many districts this scheme will not work, because it is a step in the wrong direction.

“Coming to secondary education, the apathy of the Government in accepting the recommendations of several district boards to give free education to the students of the Depressed Classes is really surprising. When the local boards rise to the occasion and are willing to do something for the Depressed Classes, I do not think it is right or proper for the Government to turn down their proposals. I think it was the Director of Public Instruction who was responsible for such a move. I am sure the Hon. the Minister for Education will kindly see that this grievance is remedied early. In regard to collegiate education, from the quinquennial report that has been circulated to us, it is seen that the advance made is so poor that it will take years for us to produce a number of graduates who would be in a position to take greater part in the administration of the land; and it is up to the Government to see that proper adjustments are made in the finances in order to give better facilities for our students.

“Going through the Labour Department Budget, Sir, I find that the amount set apart for the Paddison's Hostel has been reduced by Rs. 2,000. In the absence of details, I do not know whether it is with a view to observe economy or to reduce the number of students in the hostel that this reduction has been made. During the time when late Mr. Gray was the Labour Commissioner, he rightly thought it advisable to have a separate Home for the Depressed Class students in the metropolis; and he suggested that there should be a separate building for the Paddison Hostel in the Spur Tank grounds. I do not know, Sir, why this scheme has been turned down.

“Turning to the excise policy, Sir, I think there has been a shortage in receipts. The Government in previous years have given us to understand that they would see that something was done by way of getting some whole districts included in the prohibition area, but even the partial prohibition in some districts that obtains already is not given sufficient facilities, so that it could be extended. During the time, when Sir Patro occupied the Treasury Bench, he was kind enough to include the Nilgiris in the partial prohibition area; but now I understand there is a move on the part of the Government to remove that partial

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prohibition. I think it is the most unwise thing that the Government can do. As one coming from the Nilgiris district, I know how there has been improvement among the Hill tribes. Now, if the Government will revert to the old things, greater demoralization among the people will be the result, apart from the fact that the receipts may be less. I appeal to the Government to bestow some consideration on this point and do something.

"Taking the transferred departments, some of the local bodies, especially the Salem Municipality, passed certain resolutions with a view to give facilities for the Depressed Classes in public hotels. I find that the Government have turned down the recommendations of the Municipality. It is a very wrong policy for the Government to turn down such a good proposal made by a local body which resolved to give such facilities, after very careful consideration. The Government must do something, Sir, to elevate the social status of the Depressed Classes in a matter like this."

4-30
p.m.

* Rao Sahib C. KOLANDA REDDI:—"Mr. Deputy President, Sir, it gladdens my heart to see that in the course of the general discussion on the Budget, the ryot and his present intolerable lot is not lost sight of; in fact it has been more or less the burden of the song throughout the speeches made, and as in the case of my Friend Mr. Peddi Raju, and some, it has been the very pivot of the discussion. Of course, it is as it ought to be; because this Province being purely agricultural, the ryot forms the basis, nay the very foundation as it were, of the Government of the Province. Moreover, I think it will be a great consolation to the poor ryot who has been looking forward to this discussion on the floor of this House if he knows that there is going to be some tangible relief to him from our obstinate Government. Sir, coming as I do from the ryots, I must contribute my own quota, however humble it might be, to this discussion. Of course, I know rather too well that I am not going to say anything new or fresh. It may be, as the proverb goes, as stale as a twice-told tale; but still, I must have my say all the same.

"I must at the outset thank the Hon. the Finance Member for the lucidity of his statement, and the clarity of his views. But I regret, Sir, I cannot bring myself to congratulate him on his so-called prosperity Budget, for the simple reason that it is based upon the adversity Budget of the ryot. Sir, while it had been easy for the Hon. the Finance Member to balance his Budget, the poor ryot finds it impossible to make ends meet. Now, it is admitted and has been admitted on all hands that there has been a steep fall, phenomenally steep fall, in the prices of paddy and other commodities. In fact, it has gone down to one-fourth of the old price level. For instance, in the Kistna district, the best paddy sells only at Rs. 25 per candy and in the lower reaches of the delta where the quality deteriorates, they are selling it even at the rate of Rs. 20 per candy. Now, you can fancy the lot of the ryot under such conditions. I may tell you, Sir, that the biggest ryot in the Kistna district—I am sorry that the Hon. the Revenue Member is not here and he knows him

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too—before the depression set in, was selling his paddy at Rs. 96,000. He has been cultivating about a thousand acres and selling the outturn at Rs. 96,000. And, after paying the kist of about Rs. 16,000 he netted a balance of Rs. 80,000 with which he attended to his cultivation expenses and other domestic things. Now, Sir, after the setting in of this depression he has sold almost the same outturn, which is yielded by almost the same area for Rs. 20,000 and after paying Rs. 16,000 for kist, he had the grand balance of Rs. 4,000! You can fancy how he could meet his expenses of cultivation and other things.

“Then, Sir, the Hon. the Finance Member at the end of his speech introducing the Budget wanted to draw a sort of invidious distinction, a line of invidious demarcation as it were, between the small farmer and the big farmer. In the light of the tale I have told, you can see whether the big farmer or the small farmer is not sailing in the same boat and whether the line of demarcation between the two can be any good. Well, Sir, from the outturn, from the sale-proceeds of the grain, he will have first to pay the kist and after paying it, he has almost nil balance at present. While such is the state of affairs, there is the old creditor who will have to be satisfied; otherwise he will be dragging him to court; and he (the ryot) is being dunned, by even the co-operative societies. They do not consider the miserable plight in which he is placed by the present depression. The ryot has absolutely no credit in the market. Nobody advances any money on the land, either the bank or the sowcar. Of course, the Gurjarati is nowhere in the Kistna district; I do not know what became of him. Now, having no creditor in the market and unable to meet the current expenses, he will have to sell all his trinkets—all of them have gone the way to England straight, as many hon. Members are aware. So, that is the present plight of the ryot. He is faced, as it were by all round ruin. As we go from village to village, we can see blank despair writ large in the faces of the ryots who, before the depression set in, were rolling in wealth. As far as my personal experience goes, I think it goes a long way so far as the ryot is concerned, when I visit villages, I do not find money anywhere, either in the shape of coin or paper. Absolutely nothing. What can they do I wonder. That is the real plight of the ryot at present. Now, Sir, my constituents come and tell me pathetically. ‘Sir, you are not pleading on the floor of the House properly; if only you Members, the accredited representatives of the people, bring home to the heart of the Government the real plight, the miserable position in which the ryot is placed at present by that monster, the depression, Oh, the Government will be prepared to grant us adequate remission.’ Poor deluded souls! Well, Sir, on the floor of this House, from all sides of the House, almost all members whether they belong to the Justice Party, or the Independent Party or the Democratic Party, irrespective of party or race—there is my friend to my left, a member of the British interests—pleaded most eloquently for the cause of the ryots. What good! Has the Government a heart! It is unfortunately an abstract entity and there is nothing

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concrete about it. The Hon. the Finance Member says the Government is not prepared; the Revenue Member says the same thing; the Law Member says the same thing; the Home Member also says the same thing; and which is the Government, I want to know, pray? Whom are we to address? It is such an intangible, unpalpable, abstract entity; it is elusive even for touch; and how can that entity have any heart to appeal to? That is the miserable condition we are in. It is rather very sad. We, of course, as the accredited representatives of the people, have come here; and do you think that all of us are lying, for the sake of what? Is it for catching votes—now that the term has been extended there is no point in it. Why should there be this House at all if the whole House is not believed by the Government?

“ I find, Sir, going through the statement prepared by the Hon. the Finance Member and listening very carefully to his valuable speech in introducing the Budget, it is all very clear and we cannot be too thankful to him for that, but the beauty of the whole thing is marred by lack of practical sympathy for the ryot. Sir, he is rather all kindness towards the services, he does not want to touch them at all even for a few rupees cut of their salaries. Now, I think, he is aware of one thing. What people were getting for one rupee before the depression, they are now getting it for four annas. I challenge anybody to deny this. Then, strictly speaking, there can be a cut of something like 50 or 75 per cent. Be it as it may. Can't you have a cut of 10 per cent at least which would go to the relief of the ryot? There is a proverb in Hindustani which says that the dog in the house is superior to the lion in the jungle. So, the ryot being far away, nobody cares for him. The Hon. the Finance Member has lost touch with the ryot ever since his translation to the Treasury Bench. If only he were in touch with the people, as he was when he was a Collector, certainly the lot of the ryot would have been better than it is now. Of course, he said in his speech that this is only a subordinate Government and it is not possible for him to do grand things like, perhaps, President Roosevelt of United States or II Duce of Italy. I do realise his difficulties. Of course, he has got the power to alter the exchange policy, or the currency policy with its inflations deflations and devaluations, and so forth, but why should he not do at least as much as the other provinces have done for the ryot, as has been pointed out so vividly by all the previous speakers, and I do not want to cover the same ground. To me it appears, Sir, that one panacea for all these financial ills will be to revert to the old barter system and to pay the Government in kind. If that is done, there will be an end of the whole trouble and the ryots will not be made victims of the sleight of hand tricks of exchange policy or currency or other policies. If that is not possible, at least this Government, Provincial as it is, can do as much or as little as the Native States in our own Presidency. For instance, take the so-called backward state of Hyderabad. I think it is more forward than our Presidency in all respects. So, it is a misnomer to call it a backward state. Now, Sir, what was the remission that was granted there? It is not less than 25 per cent. Take also the case of

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the model state of Mysore, as also the educated state of Travancore or Cochin and even Pudukkottah for the matter of that. Is there any one of these states which is behind this benighted Presidency, so far as the sympathy of the Government with regard to the ryot is concerned. Well, Sir, even in the newly formed Frontier Province, besides giving relief to the ryot, they are enacting laws with regard to mortgages, usurious interests, loans, etc., and they are to be published in their Government Gazette, as stated in the papers. Now, what is this Government doing? It won't give us remission by saying, what is the good of remission, it is only a relief of $1\frac{1}{2}$ or 2 rupees for small farmers paying Rs. 10 kist as if anybody prevented it from remitting more.

“ For the matter of that, with regard to paddy prices, they wanted to appoint an officer. They have been thinking, thinking and thinking for months together. But even now it has not become a *fait accompli*. Meanwhile, Sir, other countries are taking time by the forelock. They have been dumping lots of rice in the Madras harbour for the last six months, and, as pointed out by my hon. Friend, Mr. Choudari, even last week there was an unloading of over 20,000 bags of rice. These bags are sold, Sir, at one rupee less than the local price per bag. That being so, who would go in for our own rice, I wonder. Cannot the Government do at least this small thing? Cannot they address the Government of India and raise the tariff to all? They have done absolutely nothing. And as for the Government of India, the Hon. Sir, Joseph Bhore was saying, as he did not know the actual state of affairs in spite of Mr. Ramaswami Mudaliyar pointing it out to him, that it was only a little that was imported. But Madras market is being flooded all the same with foreign rice and although it is the easiest thing for you to stop its import, you have done precious nothing. 4-45 p.m.

“ As for the Hon. the Revenue Member, Sir, he has been touring and touring all through the Presidency and knowing as I do Sir Archibald Campbell so well, I thought he would get into the skin of the ryot and feel his pulse and find out the real state of affairs in spite of Collectors' reports and things of that sort. But I waited and waited. He cogitated and cogitated, and after all, like the proverbial mountain in labour, produced that silly thing of the suspension of $12\frac{1}{2}$ per cent. It is a matter for disillusionment. I do not know why it is so, Sir, but perhaps it is the effect of the Treasury Bench. As a Collector he was so very sympathetic. It seems all that sympathy dried up after he was translated to the Treasury Bench. We have been asking for remission, and remission, for a tangible remission, and instead of granting that, he issued a long winded and learned communiqué on the history of taxation, how taxes are levied, how they are enhanced, how accurately commutation rates are calculated and so on and so forth. Well, Sir, we asked him for bread and he has given us stone in the shape of this long communiqué. Now, I am so sorry that the real state of affairs, the utterly miserable position in which the ryot is at present placed, has not been realized even in the least by the Government. That is the most

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unkindest cut of all. Now, Sir, when the Hon. the Revenue Member was asked about it, he said that he called for reports from the Collectors. I do not want to disparage the Collectors and their august position. Although those reports might have been received, they have not been placed on the table. Nevertheless, I dare say they would be something like His Master's own voice. Now, time was when there were civilians who fought for the cause of the ryot, fought hard, and fought to the last ditch, and I know, as a matter of fact, they suffered the consequences for the courage of their conviction. But times have changed. Now perhaps it may be owing to the political atmosphere that prevails or some other reasons, they have become more or less lukewarm. Well, Sir, if there be any solitary."

* The Hon. the DEPUTY PRESIDENT:—"The hon. Member has exceeded his time-limit."

* Rao Sahib C. KOLANDA REDDI:—"Please allow me just a few minutes. If there be any solitary civilian who, unable to suppress the qualms of his conscience, blurts out in his report that a remission was necessary, at once that old dame, the Revenue Board, would fall foul of the poor Collector and rebuke him with the remarks 'Oh! You are creating famines where there is none and recommending remissions where there is no need.' That poor civilian for all his pains would be shunted to an out of the way, backward district like Anantapur (A Voice:—No, no. Anantapur is not backward.) Probably it is coming forward now. He will be transferred to some poor backward district, Sir, to do penance there for the folly of making a report like that. With regard to Indian civilians, of course, with honourable exceptions that are promoted from the ranks, much need not be said. They are very eager to support the Government. They are anxious to show to the Government that they are fit for district charge."

* The Hon. the DEPUTY PRESIDENT:—"The hon. Member has far exceeded his time-limit."

* Rai Sahib C. KOLANDA REDDI:—"I am finishing, Sir. So much so these Indian officers are more eager than the Government themselves to support them, or in other words, they are more royalist than the King himself. So we may leave them alone. Now, Sir, unfortunately, the transferred half, I am sorry to say, do not seem to be exerting themselves in the least. I wonder, Sir, coming as they do from the electorates and being as they are our representatives, the people's representatives, why they should not enter an emphatic protest against the obstinacy and obduracy of the reserved half passes comprehension. They do not seem to have raised their little finger. If candour is a virtue, I may say, that the transferred half is, at this critical juncture for the ryot, presided over by a zamindar in whose estate rack-renting seems to have been developed into a fine art! We receive reports published in the papers and as a result of enquiries made by so many zamindari ryots' associations that, while the Hon. the Revenue Member charges only Rs. 10 or Rs. 13 per acre, there for an acre of paddy-growing field the tax ranges even from Rs. 30 to Rs. 40. . . ."

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* The Hon. the DEPUTY PRESIDENT:—"The hon. Member will just wind up his speech. This is the third time I remind him."

* Rai Sahib C. KOLANDA REDDI:—"My final prayer is this, Sir. I may submit most solemnly that the ryot upon whom almost the whole burden of this Government rests is crashing with the burden, and if you who constitute the Government do not come to his rescue at present and grant some adequate relief, he is sure to crash completely and along with him the system of Government that is based upon him must crash equally. Is it statesmanship to allow matters to drift to such a pass! So I request the Government to do something tangible, something real, and not be satisfied with that Shylockic gesture of $12\frac{1}{2}$ per cent suspension which is neither fish, nor flesh, nor good red herring in the present circumstances and rise to the occasion and be pleased to grant at least 25 per cent remission. With this prayer I resume my seat."

* Mr. M. DEVADASAN:—"Mr. Deputy President, Sir, I want in the first place, to congratulate the Hon. the Finance Member for his ability in presenting a surplus Budget for the ensuing year which may not have been possible for any other gentleman under the existing conditions of financial stress and strain. As a member representing the depressed classes, I want to make a few observations on the Budget that has been presented by the Hon. the Finance Member. In the first place, I must say that, so far as depressed classes are concerned, the Budget as presented is much better than that of the last year. Some little more provision has been made under Demand Nos. 27 and 28 than in previous years, though there was no provision, as my hon. Friend, Mr. Muniswami Pillai pointed out, for the appointment of a separate Labour Commissioner for the ensuing year. Although we clamoured for it last year and the year before, no Labour Commissioner was appointed as we expected. Our thanks are also due to the Hon. the Home Member for having restored the labour schools in those districts in which the operation of the Labour department was suspended two years ago. We expected that more schools would be opened but only a few were opened, the reason being the absence of a separate Labour Commissioner to discharge these duties. I submit that what has been done by the Government has touched only the fringe of the problem of what ought to have been done in the matter of the elevation of the depressed classes."

"I must also say something both to the credit and discredit of the Hon. the Chief Minister. To his credit must be set down the amendments to the Local Boards Act and the District Municipalities Act advocating that all works of public utility such as wells, roads, etc., should be open to all classes and creeds. But he was not able to do the same thing when the resolutions of the municipalities such as those of Salem, Virudunagar, etc., advocated that all hotels and clubs should be open to all classes of people. At the time when the Poona Pact was entered into—which ought to be set down to the credit of Mahatma Gandhi—people in several places held inter-caste dinners as an earnest of what they were going to do in justice and fairness of the claims of the

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depressed classes and several people in the mufassal were ready to receive the depressed classes with open arms and treat them as their brothers and sisters. But the attitude of our Government in negating the resolutions passed by several municipalities has very much upset the minds of the people and caused great disappointment to the members representing the depressed classes in this House. The Government, under the cloak of preserving peace and order want to justify their order and try to enforce it against them. My appeal to the Hon. the Chief Minister and other Members of the Government is that the Government should relax their attitude and treat the claims of the depressed classes in a more sympathetic manner.

“ Then I want to refer to some other subject which has also been dealt with in the past, and that is, the way in which the Public Services Commission are administering their duties in this Presidency. It is a new department, and to some of us it might appear that it is one that is doing incalculable good to the country. But, on the other hand, I should say that it does not do any good to the people especially the minorities. I have examined the lists of candidates who have been chosen by the Public Services Commission for appointments under the Government; and to my great surprise I found, that the claims of the depressed classes as also the claims of the Christian Depressed Classes have been treated in a spirit of indifference and negligence. It may be argued that there is no depressed class among Christians, but I submit that there are such people and that the Christian Depressed Classes suffer from the same disabilities and disadvantages and degradations as their Hindu brethren, if not more. That being the case, their claims must be considered in a spirit of sympathy and kindness.”

* The Hon. the DEPUTY PRESIDENT:—“ Is the hon. Member likely to finish his speech in one or two minutes? ”

Mr. M. DEVADASAN:—“ No, Sir, I shall continue tomorrow.”

The House then adjourned to meet again at 11 a.m. the next day.

IV.—PAPERS LAID ON THE TABLE OF THE HOUSE.

^a G.O. No. 71, Finance, dated 2nd February 1934, regarding the election of Mr. J. K. Metherell vice Mr. W. O. Wright resigned.

^b G.O. No. 92, Finance, dated 15th February 1934, regarding the renomination of Khan Bahadur Yahya Ali Sahib Bahadur as a Member of the Finance Committee.

^c Proceedings of the Finance Committee, dated 8th, 9th, 10th and 11th January 1934.

R. V. KRISHNA AYYAR,
Secretary to the Legislative Council.

^a Printed as Appendix III on page 181 infra.

^b Printed as Appendix IV on pages 181-182 infra.

^c Printed separately.